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East Europe

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CSCE Meeting in Vienna Comes to End

Poland's Malinowski Speaks

LD181845 Warsaw PAP in English
1255 GMT 18 Dec 87

[Text] Vienna, Dec. 18—Speaking to representatives of 35 countries of Europe and North America at a CSCE meeting in Vienna, Speaker of the Polish Sejm (parliament) Roman Malinowski said today:

Poland, being one of the initiators of the Conference on Security and Cooperation in Europe, attaches great significance to the CSCE process. We try to contribute in this process our active and constructive share, also on the forum of this meeting.

We are in favour of a major reduction of the role of military factor in European relations. We see a chance to use the favourable conditions which have been provided by the results of the summit meeting and the USSR-USA agreement on the liqudiation of medium and shorter-range missiles for a considerable acceleration of works by the Vienna meeting. Only by a quick start with talks among the 23 and 35 CSCE states can we effectively prevent the dangerous attempts to substitute for nuclear "deterrence" with conventional "deterrence" and a new wave of arms race.

We do not want to build our own security at the expense of others. Poland showed this in the open character of the initiative known as the plan of armaments reduction and increase of confidence in central Europe. This proposal, named the Jaruzelski Plan, is aimed at reinforcing the conventional stability in Europe in accordance with the logics of common security by major reductions in the armed forces and armaments, proceeding to mutually credible defensive attitudes, and liquidation of nuclear arms of all categories on our continent.

Like in other countries, also in Poland the conviction grows about necessity of humanization of the international relations. This case too should be properly reflected in the decisions of the Vienna meeting. All being present here, especially the great powers, bear responsibility for securing that the East-West dialogue on human rights develop in a way that will strengthen its international understanding and confidence. In tune with the above we have supported, among other things, the proposal of calling in Moscow a representative conference on the humanitarian cooperation among states participating in the pan-European process.

We are for an open, serious, and concrete discussion in this field. What we shall adopt, we shall reliably materialize and we shall expect the same of our partners.

Poland positively expects the adoption of its proposal to organize a symposium in Krakow on the protection and further development of the CSCE states' cultural heritage.

In the time of growing international interdependence, the Vienna meeting should also bring concrete agreements leading towards the increase of economic cooperation, especially in its more developed forms, as well as to the increase of cooperation in the field of science, technology and ecology. As for the latter issue we have put forward a proposal at the U.N. to adopt principles for the free exchange of experiences, licences and technologies helping environment protection. Wojciech Jaruzelski also proposed to set up a European council for the protection of environment as a plane for discussion and joint actions in a field such important today. We are interested in that these ideas find a due place in the all-European process.

The success of the CSCE process to a considerable degree is conditioned by active activities led by nongovernment bodies and by the understanding and support of broad social and political forces. The European nations have more in common than that which divides them. Being guided by this conviction, the Polish parliament has put forward a proposal to hold a meeting in Warsaw of chairmen of parliaments of states participants of the CSCE.

The Leitmotif of the proposed meeting is to take a bold look at the future of Europe. We are of the opinion that there is a need for the strengthening of our European values with simultaneous respect for individual features and differences, which were, are and will be. [sentence as received]

The tackling of chief problems of contemporary times requires going over differences ensuing from the existence of political and military blocs and differences of political systems. Among these problems, I will mention the striving to increase measures of understanding, confidence and cooperation. We must unite efforts aimed to create joint security, including ecological security. This deals also with the creation of food, economic security and the development of broad cooperation in all fields, especially scientific and technological, cultural cooperation, the free flow of people and information.

Parliaments, as the broadest representatives of sovereign will of nations, may and should take upon themselves urgent challenges of contemporary times and actively shape, besides the state and national option, a joint European option. The care for one's home should be more and more consolidated with the care for the joint European home.

In this spirit, I presented a proposal of the Polish Sejm last summer in letters sent to all speakers of parliaments of the states-signatories of the CSCE Final Act and several international organizations, stressing that the idea of a meeting of speakers of parliaments is of an open character and that we are ready to examine all suggestions as regards the procedure, problems and the timing of the meeting. I had also an opportunity to discuss this question personally with several speakers of parliaments and other outstanding politicians.

I wish to say with satisfaction that the initiative was positively received and so far a considerable part of speakers have given it clear support and assured about their participation and readiness to take part in preparations.

On the basis of hitherto responses, I prepare new letters to parliaments of the CSCE states proposing that:

—The meeting should be held in the second half of November 1988.

—The main subject should be: "The first meeting of speakers of parliaments of Europe, the U.S. and Canada—cooperation to promote the future of Europe,"

—the main goal should be: to stimulate and shape social awareness of the community of fates of Europe and to consolidate the perception of the CSCE'S positive role in all-European relations.

I think that the participation of parliaments in implementing CSCE resolutions, using mechanisms of parliamentary cooperation for common or parallel legislative initiatives should also be an important subject of the debates. These initiatives should concern, for instance, environmental protection, the explanation of problems arousing doubts and the exchange of information.

I think that the course of the conference should be open for free exchange of thoughts and directions of actions. The conference need not cover resolutions and decisions and the final document. Every delegation will have an opportunity to speak on equal rights. The Polish side would commit itself to register suggestions and proposals and to send them to participants in the conference as the minutes of the debates.

I have a conviction that the first meeting of speakers of parliaments of our countries would enrich and strengthen the processes of confidence and all-European cooperation.

In Poland, we are making deep democratic changes in socio-political life, and radical economic reforms. We treat those transformations as a constant process whose components assist each other. These processes, having their origin on the Wisla river and ensuing from the programme of the July 1981 Congress of the PUWP [Polish United Workers Party], have been called the socialist renewal which links universal principles of socialism with our traditions, experiences and national aspirations.

Within this great cause, the Sejm defines the directions for reforming the economy of the state, undertakes legislative measures and actively develops its control functions.

In 1991, we will be observing the 200th anniversary of the first Polish Constitution, the oldest in Europe and second after the U.S. one. I think that over this time, the conditions will mature to include the qualitative changes ongoing in Poland in the new edition of the Constitution.

The full success of reforms now carried out in Poland and other socialist countries also depends on the further development of the situation in the world, on consolidation in the international relations of new trends reaffirmed by the Gorbachev-Reagan summit in Washington and by their signing of the disarmament treaty.

At the same time, processes of our internal changes are connected for many a reason with processes of all-European cooperation and they influence each other.

I believe that the document we are going to work out and adopt at the 3rd CSCE meeting in Vienna will constitute an important contribution to the qualitative deepening of the CSCE process, will help broaden comprehensive cooperation on our continent, and will give the right mandate to the conference on the reduction of conventional forces and armaments in Europe.

Hungarian Delegate Comments

LD190443 Budapest MTI in English
2010 GMT 18 Dec 87

[Text] Vienna, December 18 (MTI)—On the occasion of the Friday work phase closing plenary session of the Vienna follow-up meeting, Ambassador Andre Erdos, head of the Hungarian delegation, gave a statement to the Vienna correspondent of the MTI Hungarian news agency on the hitherto course and future prospects of the meeting.

He said that the editing of the closing document surveying progress of the Helsinki process and summing up further measures, has started, if with substantial delay. Certain results have been achieved, though not in the expected measure.

He called noteworthy the results attained on military themes, such as the favourable assessment of the results from the Stockholm conference on confidence and security building measures and disarmament and the moves towards implementation of its document. He mentioned the consultation of the Warsaw Treaty and the NATO on the preparations for the European forum of conventional disarmament as the other outstanding achievement in the field of the Helsinki "first basket."

Editing has also begun concerning the "second basket" of economic cooperation.

However, it is unfavourable that agreement at the talks about questions of human rights and humanitarian cooperation does not reach the level that would allow to use the term steady progress.

The following interval of five weeks will enable the representatives of the 35 participating states to make an assessment of the situation, revise their positions and consider ways to promote further negotiations. This would be highly important, because at the current pace of work the two-month period till Easter will be hardly sufficient for the complete elaboration of the closing document. Even in case of growing flexibility and political will for the solution of problems, early successful conclusion of the meeting will require extremely intense work, said Andre Erdos. He said the international atmosphere for this is now more favourable than before, and the reform processes under way in the Soviet Union and other socialist countries make their effects felt at the Vienna follow-up meeting. A positive factor is the improvement of East-West relations, particularly the success of the Soviet-American summit meeting.

European security, military issues of cooperation and the human dimension are to remain central themes in the next work phase. More rapid progress is expected in the formulation of the tasks of economic cooperation, as in this field there are fewer disputed political-ideological issues, Andre Erdos said.

AGERPRES Report

AU191943 Bucharest AGERPRES in English 1736 GMT 19 Dec 87

["At the End of the Fourth Round of the All-European Meeting"—AGERPRES headline]

[Text] Vienna, AGERPRES, 19/12/1987—The fourth round of the All-European Meeting on Security and Cooperation came to an end in Vienna.

Although scoring some results, the all-European forum in Vienna has not marked tangible progress yet in the covenanting of the final act meant to help enhancing confidence and developing collaboration in the continent. The fact that the states participant in the two military alliances agreed in the Vienna consultations on the targets of the future negotiations and decided that the negotiations start in 1988 is undoubtedly a positive step. On the other hand, there practically exists the consensus of the Vienna meeting participant states to resume the negotiations started in Stockholm on covenanting new measures of confidence-building and security, conducive to the lessening of the danger of military confrontation in Europe.

Although stands in the domain of economic cooperation have been brought closer in terms of aspects related to commercial exchanges, environmental protection, etc., firmer and more specific pledges have not been covenanted yet on the elimination of the barriers and restrictions from the economic, technological and scientific cooperation.

Romania's delegation stressed in its addresses that without an in-depth analysis of those problems within adequate fora and without the covenanting of practical measures—as suggested by Romania and other participant states—the difficult situation characteristic of the relations among the European countries in this domain could not be surpassed.

As for cooperation on humanitarian matters, although there are numerous possibilities at hand for its intensification, the relevant provisions have failed to be harmonized, because of some participant states' unilateral, unrealistic and often unconstructive stands and approaches. On other matters that are in the focus of the Vienna meeting too, the progress is rather shy, although numerous efforts were made for the conclusion of the all-European forum the soonest and with positive results.

SRV Foreign Minister To Visit 'Soon'

AU201354 Tirana ATA in English
0745 GMT 20 Dec 87

[Text] Tirana, December 20 (ATA)—The member of the political bureau of the CC of the CP of Vietnam, vice chairman of the Council of Ministers and minister of foreign affairs of SR of Vietnam, Nguyen Co Thach, will pay an official friendly visit to the PSR of Albania soon, at the invitation of the minister of foreign affairs, Reis Malile.

Alia Addresses Army Cadres Seminar

AU191527 Tirana Domestic Service in Albanian
1900 GMT 18 Dec 87

[Text] Comrade Ramiz Alia, first secretary at the AWP Central Committee and supreme commander of the Armed Forces of the People's Socialist Republic of Albania, attended on December 18 an annual seminar organized by the Ministry of the People's Defense with higher Army Command cadres and staffs of various units.

The seminar was also attended by Prokop Murra, AWP Central Committee Politburo member and minister of defense; Simon Stefani, AWP Central Committee Politburo member and secretary; Hekuran Isai, AWP Central Committee Politburo member and deputy chairman of the Council of Ministers; Kico Mustaqi, AWP Central Committee Politburo candidate member and chief of the General Staff of the People's Army, and other comrades.

At the conclusion of the seminar, Comrade Ramiz Alia spoke to those present on the country's economic and cultural development, as well as on some questions pertaining to the present international situation in the Balkans and in the world.

Assembly Commissions Prepare for Session

AU181335 Tirana ATA in English
0730 GMT 18 Dec 87

[Text] Tirana, December 18 (ATA)—The permanent commissions on education-culture, health-public service, and trade convened at the seat of the Presidium of the People's Assembly recently. They analyzed problems linked with the coming meeting of the People's Assembly at its second session. These meetings were attended by Xhafer Spahiu, vice-president of the Presidium of the People's Assembly, and Petro Dode, chairman of the Presidency of the People's Assembly.

The commission on education-culture, under the direction of its chairman, Dhimiter Dhora, listened to the reports of the minister of education, Skender Gjinushi, and the chairman of the Commission of Science and Technique, Ajet Ylli, on the fulfillment of the tasks of 1987 and the main directions of work for 1988.

The deputies put questions and asked for explanations on the activity of the above institutions. They discussed on the reports presented and appreciated the achievements.

The minister of health, Ahmet Kamberi, and the vice-minister of public services, Vladimir Meksi, reported at the commission on health-public services, presided over by Ylli Popa. They dwelt on the fulfillment of the plan and budget of this year, as well as on the measures taken on the fulfillment of the goring tasks in 1988.

The deputies expressed valuable opinions on the further improvement of the work during the coming year regarding these questions.

Likewise, the commission on trade, presided over by Manxhar Binaj, convened. The minister of home trade, Osman Murati, and the minister of foreign trade, Shane Korbeci, reported to the deputies of this commission on the fulfillment of the plan and budget of this year and the measures taken to guarantee the realization of the planned tasks for 1988.

The commission appreciated the efforts and achievements in fulfilling the tasks.

At these meetings, the commissions also examined the draft laws and decrees to be presented at the second session of the People's Assembly, analyzed their activity during 1987, and approved the work programs for the coming year.

Leaders Public Appearances for 13-19 December

AU191958 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts from 13-19 December reports the following public appearances of Albanian leaders (time and date of broadcast in parentheses):

Ramiz Alia, first secretary of the AWP Central Committee and supreme commander of the Armed Forces; Prokop Murra, AWP Central Committee Politburo member and minister of people's defense; Simon Stefani, AWP Central Committee Politburo member and secretary; Hekuran Isai, AWP Central Committee Politburo member and deputy chairman of the Council of Ministers; and Kico Mustaqi, AWP Central Committee Politburo candidate member and chief of the General Staff of the People's Army, attended on 18 December an annual seminar with higher Army Command cadres. (Tirana Domestic Albanian 1900 GMT 18 December)

Besnik Bekteshi, AWP Central Committee Politburo member and deputy chairman of the Council of Ministers and Llambi Gegprifti, AWP Central Committee Politburo candidate member and minister of industry and mining, attended on 16 December a celebration to mark the 20th anniversary of the copper mining enterprise at Fushe-Arrez in Puke District. (Tirana Domestic Albanian 1900 GMT 16 December)

Zhivkov Sends Telegram to CSSR's Jakes
AU211250 Sofia RABOTNICHESKO DELO in Bulgarian
18 Dec 87 p 1

[Text] Todor Zhivkov, general secretary of the BCP Central Committee, sent the following telegram to Milos Jakes, general secretary of the CPCZ Central Committee:

Dear Comrade Jakes, on behalf of the BCP Central Committee and on my own behalf I most sincerely congratulate you on the occasion of your election to the post of general secretary of the CPCZ Central Committee.

Your election to this most responsible party post is an expression of the great confidence of the CSSR Communists and recognition of your merits in constructing socialist society in fraternal Czechoslovakia and in strengthening friendship and cooperation with the Soviet Union and with the other countries of the socialist community.

I express my own confidence and the confidence of all Bulgarian Communists, that the Bulgarian and Czechoslovak peoples will walk hand in hand along the road of socialism, peace, and progress, during this present stage of development, which involves great responsibilities.

With all my heart, I wish you dear Comrade Jakes, good health, creative energy, and great achievements in your responsible activities in putting into effect the projects mapped out by the 17th CPCZ Congress.

Anniversary of Treaty With Albania Marked
AU182058 Sofia TRUD in Bulgarian
16 Dec 87 p 3

[Marko Markov article: "Traditional Friendship"]

[Text] Today is the 40th anniversary of the signing of the treaty of Friendship, Cooperation, and Mutual Assistance between the People's Republic of Bulgaria and the People's Republic of Albania—today called the People's Socialist Republic of Albania. Other important documents were also signed concerning the development of relations between the two people's democratic states in the field of the economy, culture, science, and education.

At a large meeting held in our capital on that occasion, Enver Hoxha declared: "In the difficult times of our past, the Albanian patriots of the national revival movement, who waged a struggle against the common Ottoman enemy, were received with friendly hospitality by the fraternal Bulgarian people and established themselves in Sofia, where they had the opportunity to engage in great political and cultural activities. It was in your country's capital, Sofia, that the first Albanian patriotic associations in exile were established, and some of the first publications and newspapers in the Albanian language were issued, which played an important role in awakening the national consciousness of the enslaved Albanian people."

Georgi Dimitrov, the leader and teacher of the Bulgarian people, the veteran of the international communist and workers' movement, and Colonel General Enver Hoxha, the young leader of the Albanian workers' and peasants' state which had just been reborn from the ashes of military conflagration, signed the Bulgarian-Albanian treaty.

This is what Enver Hoxha stated in Krichim: We always had close relations with the fraternal Bulgarian people and this was confirmed by the events of history.

We signed a Friendship, Cooperation, and Mutual Assistance Treaty of Alliance between the People's Republic of Bulgaria and the People's Republic of Albania, Georgi Dimitrov said, following the signing ceremony in Krichim. We also signed a cultural convention and a special protocol on economic and trade relations between our two countries. This treaty of alliance, just like the other agreements, represents consent for peace, and not for aggression and attacks against third countries and peoples. A treaty of alliance has been signed which does not contain anything secret, which does not try to conceal anything. Our treaty is signed at a time when, as you know, imperialist forces are doing everything in their power to prevent the establishment and construction of a stable, postwar peace, Georgi Dimitrov added on that occasion.

This was an event of great importance in those days when, in compliance with the wish of the United States and the other Western countries, both Bulgaria and Albania were unjustly excluded from the United Nations, when Europe and the world were already threatened by the dark clouds of cold war. Seen from the distance of four decades, the Bulgarian-Albanian treaty played a role of essential importance for the consolidation of the international prestige of these two young and small countries ruled by people's, democratic governments. This treaty will remain a bright page in the annals of traditional friendship between the Bulgarian and Albanian peoples.

Appeal Court Confirms Antonov Trial Verdict
AU191510 Sofia BTA in English
1332 GMT 19 Dec 87

["Bulgarians' Innocence Obvious Again"—BTA headline]

[Text] Sofia, December 19 (BTA)—The Rome Court of Appeal which examined the appeals against the verdicts passed by the court in the second trial of the attempt on the life of Pope John Paul II ended its hearings. The Bulgarian citizens Sergey Antonov, Todor Ayvazov and

Zhelyo Vasilev appealed against these verdicts because they are neither just, nor do they reflect the large amount of evidence collected during the trial.

Presiding Judge Vincenzo Verone announced today that the court of appeal has confirmed the sentence acquitting Antonov, Ayvazov and Vasilev "due to lack of sufficient evidence", passed by the first instance court. Thus the "formula of doubt" has been allowed to remain in force, despite the fact that it is deeply contradictory, completely lacks logic and does not exist in any modern penal code except in the Italian one.

The decision of the appeal court came as no surprise. It could have been expected that the court would prefer to avoid the complications for the Italian investigating and legal authorities, had it reversed the original verdict to "not guilty due to proven innocence". But this could have meant that a need would have arisen to answer questions such as "Who wrote the script for this case, who organized the provocation, and who kindled this political intrigue into an ideological campaign?"

Was there any sense, then, in appealing against the decision of the first instance court, despite the rather slim hopes that it would be revoked by the court of appeal? The most obvious answer is yes. Not only because this appeal was a natural expression of the determined and consistent struggle in defense of innocent people for the triumph of justice. However, confirming all expectations it became once again clear at the sessions of the appeal court that the accusations against the three Bulgarian citizens are absolutely unjustified, that there is no objective evidence nor any logical arguments against them. It became clear yet again that they are in no way linked with the assassination attempt and are thus completely innocent. Even Prosecutor Antonio Albano, who in May 1984 read a large report including vicious attacks against Bulgaria, now quite calmly and without quoting any serious motives just asked the appeal court to confirm the verdict.

Even the small number of reports and comments on the appeal court's sessions which appeared in the Italian media indicate the growing suspicions of Italian journalists in respect to the very existence of the alleged involvement of Bulgarian citizens in the attempt on the pope's life. Suspicious now are even those who two or three years ago were the most ardent supporters of the so-called "Bulgarian connection."

Even after this decision of the Rome Court of Appeal, we are truly convinced that the day will come when the truth of the assassination attempt against the pope and the events that followed it will become known, that a day will come when the innocence of Antonov, Ayvazov and Vasilev will be officially announced, a day when justice will triumph.

Afghan Front Delegation Ends Visit, Departs

AU201910 Sofia BTA in English
1807 GMT 20 Dec 87

["Bulgarian, Afghan Public Organizations Promote Contacts"]

[Text] Sofia, December 20 (BTA)—The Fatherland Front of Bulgaria and the National Front of Afghanistan are maintaining strong contacts based on the shared desire to get better acquainted with each other and to further promote friendship. The Bulgarian experience is of interest to the democratic forces in Afghanistan which are developing the National Front in their country.

This became clear during the one-week stay in Bulgaria of a delegation of the National Front headed by the chairman of its Central Council, Mr Abdul Rahim Hatif. It had meetings with a number of party and state officials and talks with a delegation of the Bulgarian Fatherland Front headed by its chairman Mr Pencho Kubadinski. The Afghan guests discussed the possibilities for the further promotion of the bilateral cooperation and emphasized the need for the adoption of new forms of interaction. The Bulgarian participants in the meetings emphasized this country's support for the policy of national reconciliation of Afghanistan.

The guests were received by Mr Petur Tanchev, secretary of the Bulgarian Agrarian Party, by Mr Stanko Todorov, member of the Politburo of the BCP CC and chairman of the National Assembly, and Mr Chudomir Aleksandrov, member of the Politburo and secretary of the BCP CC. The guests had a meeting with Chief Mufti Miran Topchiev.

The delegation left Bulgaria today.

Dyulgerov, TU Delegation Visit India

Cooperation Agreement Signed

AU182028 Sofia BTA in English
1906 GMT 18 Dec 87

[Text] New Delhi, December 18 (BTA correspondent)—At the invitation of the All-India Trade Union Congress, a delegation of the Central Council of the Bulgarian Trade Unions, led by Mr Petur Dyulgerov, alternate member of the Politburo of the CC of the BCP and president of the Central Council of the Bulgarian Trade Unions, paid a visit to India from December 14 through 18.

The sides expressed preparedness to persevere in their efforts towards widening the scope of action of the world federation of trade unions, towards strengthening the unity of action of working people in the world.

Mr Petur Dyulgerov and Mr Indrajit Gupta, general secretary of the All-India Trade Union Congress, signed an agreement on wider cooperation.

The delegation of the Central Council of the Bulgarian Trade Unions also conferred with senior officials of the two other major trade union amalgamations in India: the Center of Indian Trade Unions, and the Indian National Trade Union Congress.

Mr Petur Dyulgerov was received by Mr C. Rajeswara Rao, secretary general of the Communist Party of India.

Mr Shankar Sharma vice president of India, also received Mr. Petur Dyulgerov.

Delegation Returns

AU201418 Sofia Domestic Service in Bulgarian
1400 GMT 20 Dec 87

[Text] The delegation of the Central Council of the Bulgarian Trade Unions led by Petur Dyulgerov, chairman of the Central Council, returned from India, where it had made a visit at the invitation of the All-Indian Congress of Trade Unions.

Government Decree On Budget, Plan Fulfillment

AU181941 Sofia BTA in English
1833 GMT 18 Dec 87

[Text] Sofia, December 18 (BTA)—In accordance with the 1988 Plan for the Techno-Scientific and Socio-Economic Development of Bulgaria Act and with the 1988 State Budget Act, the Council of Ministers endorsed the distribution of the plan and the budget and adopted a decree on arrangements for their fulfill- ment.

The corporations' economic councils were assigned with immediately specifying the government contracts, the limits and the other indicators for the individual enterprises and with helping the workforces in the definitive shaping of their plans and in their smooth fulfillment already with the first days of the new year.

The government adopted rules for economic activity and a system of economic standards and regulators, as well as a decree on the procedure of the transfer of socialist property to the workforces for management and administration.

In keeping with the decisions of the July and the November 1987 plenums of the CC of the BCP, the documents adopted by the Council of Ministers create a legal and executive framework and prerequisites to unfold the workforces' self-management and to carry further the restructuring in the work of the enterprises, the corporations and the other self-managing organizations.

Cooperative Union Adopts Restructuring

AU181424 Sofia BTA in English
1316 GMT 18 Dec 87

["The Cooperative Movement—New Forms"—BTA headline]

[Text] Sofia, December 18 (BTA)—A new model was adopted here for the development of the cooperative movement, the principal aim of which is to create new efficient forms of work and new productions and services through self-management and self-support.

A session of the Administrative and Control Board of the Central Cooperative Union (CCU) also discussed concrete ideas for establishing new organizations. "Coopinvestingenîring" will carry out engineering activities in the investment process. "Technoprogrescoop" will engage in construction, including housing construction, with an orientation to cooperation with foreign firms. "Infracoop" will assist people wishing to construct projects of the infrastructure. "Coopleasing" will lease farming and other machines. The cooperative union plans to built a chain of hotels in this country, employing the work of private persons as well. The "Coophoteli" enterprise will coordinate these activities. The cooperative movement was the first to find its bearings in the new economic situation in this country in the conditions of self-management and it established the successful firm "Cooptaxi," which unites taxi-drivers with private cars.

The CCU will encourage the setting up of a wide network of repair outlets on cooperative principles throughout the country. It will rely to a great extent on the individual labour of private persons and cooperative members and on the establishment of joint enterprises with foreign partners. "Bulgarcoop" will be the organization responsible for its foreign trade activities.

The bureaucratic obstacles to the wide participation in the management of the cooperative establishments will be eliminated in the regions. Each region will have its own coordination council, which will not have an administrative structure. In future the CCU will only be a body of the self-managing cooperative organizations.

Filipov, Aleksandrov Visit Varna, Plovdiv

AU181954 Sofia Domestic Service in Bulgarian
1830 GMT 18 Dec 87

[Text] Constituent conferences of the respective oblast party conferences took place in Varna and Plovdiv today. They proceeded in an atmosphere of lofty political and creative initiative. The communists of the two local party organizations convincingly manifested their firm resolve to be in the first ranks of restructuring.

In Varna, Dimitur Dimitrov, first secretary of the BCP Oblast Committee, read a report. Both in his report and in the statements of the delegates, an in-depth, critical analysis of the achievements attained to date was made and the responsibilities of the Communists and of all working people in the Oblast were mapped out in connection with the further implementation of the decisions adopted by the 13th BCP Congress and by the July and November BCP Central Committee plenums.

Grisha Filipov, BCP Central Committee Politburo member and BCP Central Committee secretary, participated in the work of the conference.

In his statement he pointed out that the main task today is to enhance the level of ideological and political work and to ensure the accelerated socioeconomic development of the oblast.

At its first plenum the newly elected Varna Oblast BCP Committee elected Dimitur Dimitrov as its first secretary, and Kostadin Stanev, Strakhil Khristov, and Encho Rusinov as secretaries.

Panteley Pachov, first secretary of the Plovidv Oblast BCP Committee, read an introductory speech at the Plovdiv Oblast BCP organization constituent conference. In his speech and in the delegates' statements it was pointed out that positive results today depend upon the further enhancement of the BCP's leading role, upon the style and methods of work of the party organizations.

The paths of comprehensive restructuring in all spheres of social life were stressed.

Comrade Chudomir Aleksandrov participated in the work of the constituent conference in Plovdiv.

He evaluated the activities of the oblast party organization positively and centered on the most topical tasks of the country's sociopolitical life.

At its first plenum the newly elected Plovdiv Oblast BCP Committee elected Panteley Pachov as its first secretary, and Vasil Rozenov, Doyching Doychinov, and Ivan Rozov as secretaries.

New Facilities at Dimitrovgrad Chemical Plant

AU181701 Sofia TRUD in Bulgarian 16 Dec 87 p 1

[Dispatch by TRUD correspondent Kiril Stoychev from Dimitrovgrad: "Calendar of Optimism—Renewal of Dimitrovgrad Chemical Combine Is Well Advanced"]

[Excerpts] For many years already, with much labor and the surmounting of a number of obstacles and difficulties, the general reconstruction, modernization, expansion, and technological renewal of the Dimitrovgrad Chemical Combine has been going on.

Before the end of November, following successful 72-hour running tests, the "Liquid Ammonia Store," "Nitric Acid," and "Ammonium Nitrate" production areas, costing a total of over 92 million leva, were handed over and put into regular operation, as well as other auxiliary installations costing more than 21 million leva. However, the most difficult, demanding, and important job still lies ahead, namely the production startup of the liquid ammonia installation.

The main raw material for this production operation is Siberian natural gas. The new installation is unique, and incorporates the latest world achievements in the field of ammonium fertilizer production. It has been built with the fraternal aid of the Soviet Union. Some of the machines and equipment have been purchased from the FRG and Japan, while others are home-produced. There is only one other such highly-efficient installation in existence, that meets all the most stringent requirements of modern scientific-technical progress, and that is in the Soviet Union. Our own installation, the second in world practice, represents a considerable improvement and advance on the original.

...On 15 February 1952 the first Bulgarian ammonium nitrate was produced. [passage omitted]

...On 26 August 1987 the test startup of the new ammonium nitrate shop took place. [passage omitted]

...On 26 October 1987 the new nitric acid shop came into operation. [passage omitted]

In these active days for the whole of Dimitrovgrad, everyone, from the leaders to the last worker, are working with will, in harmony, and in a new way!

Criminal Damage at Weather Station Reported

AU181346 Sofia RABOTNICHESKO DELO in Bulgarian 16 Dec 87 p 2

[Report by Nevena Ilieva, chief specialist and meteorologist: "Where is Public Implacability?"]

[Excerpt] A few days ago an extraordinary crime occurred in Sofia that aroused perplexity and outrage. In the Botanical Garden, by the Vasil Levski monument, the first meteorological station in Bulgaria was raided and despoiled. The station marked its centenary this year. The observations made there serve to provide information to Sofia's inhabitants on managing a number of activities in the capital's economy and industry, to solve ecological problems, and so on.

The meteorological station was smashed up, and expensive, hard-to-obtain instruments were stolen. No one can explain or justify the attack that was carried out, especially since the equipment is only of interest to specialists.

Unfortunately, this inexplicable act is no exception. In recent years meteorological stations have been broken into and partially or completely robbed in Tsarev Brod, Burgas, Yambol, Rezovo, Turgovishte Shumen, and Iskrets, while in Suvorovo this has happened five times. [passage omitted on damage to science, and call for public]

Leaders' Public Appearances 11-19 December

AU192114 [Editorial Report] Sofia Domestic Service in Bulgarian in its newcasts, the Sofia press, and BTA during the 12-19 December monitoring period report the following public appearances of Bulgarian leaders (sourceline of each report given in parentheses):

The following leaders met Zhivkov, Dzhurov and Mladenov at Sofia Airport on 11 December, on their return from the Berlin Warsaw Pact summit: Georgi Atanasov, Grisha Filipov, Yordan Yotov, Ognyan Doynov, Pencho Kubadinski, Petur Tanchev, Stanko Todorov, Chudomir Aleksandrov, Georgi Yordanov, Grigor Stoichkov, Dimitur Stoyanov, Petur Dyulgerov, Stoyan Markov, Nacho Papazov, and Emil Khristov (Sofia RABOTNICHESKO DELO in Bulgarian 12 Dec 87 p 1).

Milko Balev, Yordan Yotov, Georgi Yordanov, and Stoyan Mikhaylov had meetings with a visiting Ethiopian party delegation during the latter's visit, which ended on 14 December (Sofia Domestic Service in Bulgarian 1400 GMT 14 Dec 87).

Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council, received Kim Pok-sin, vice premier of the DPRK, in Sofia on 15 December (Sofia BTA in English 1845 GMT 15 Dec 87). In Sofia on 15 December he received the credentials of the newly appointed ambassadors of Italy (Sofia BTA in English 1857 GMT 15 Dec 87), Indonesia (Sofia BTA in English 1758 GMT 15 Dec 87), Belgium (Sofia BTA in English 1906 GMT 15 Dec 87), Greece (Sofia BTA in English 1905 GMT 15 Dec 87), and the SFRY (Sofia BTA in English 1916 GMT 15 Dec 87).

Georgi Atanasov, member of the BCP Central Committee Politburo and chairman of the Council of Ministers, received the Syrian transport minister, Yusuf al-Ahmad, in Sofia on 15 December (Sofia BTA in English 1137 GMT 15 Dec 87). He took part in the constituent conference of the oblast BCP organization in Burgas on 17 December (Sofia Domestic Service in Bulgarian 1830 GMT 17 Dec 87).

Chudomir Aleksandrov, Politburo member and secretary of the BCP Central Committee, received an Afghan National Front delegation in Sofia on 15 December (Sofia BTA in English 19391845 GMT 15 Dec 87). He took part in the constituent conference of the oblast BCP organization in Varna on 18 December (Sofia Domestic Service in Bulgarian 1830 GMT 18 Dec 87).

Milko Balev, Politburo member and secretary of the BCP Central Committee, received the participants in the Balkan Ecological Conference in Sofia on 17 December (Sofia BTA in English 1744 GMT 17 Dec 87).

Ognyan Doynov, member of the BCP Central Committee Politburo, made a working visit to Budapest on 17 December (Sofia Domestic Service in Bulgarian 2000 GMT 17 Dec 87).

Grisha Filipov, Politburo member and secretary of the BCP Central Committee, received a visiting CPSU Central Committee working group led by Rafael Ultanbayev in Sofia on 11 December (Sofia RABOTNICHESKO DELO in Bulgarian 12 Dec 87 p 6). He took part in the constituent conference of the oblast BCP organization held in Plovdiv on 18 December (Sofia Domestic Service in Bulgarian 1830 GMT 18 Dec 87).

Pencho Kubadinski, member of the BCP Central Committee and chairman of the Fatherland Front National Council, took part in the constituent conference of the oblast BCP organization in Khaskovo on 16 December (Sofia Domestic Service in Bulgarian 1830 GMT 16 Dec 87). Talked with an delegation of the National Front of Afghanistan, which left Bulgaria on on 14 December (Sofia RABOTNICHESKO DELO in Bulgarian 15 Dec 87 p 6).

Stanko Todorov, member of the BCP Central Committee Politburo and chairman of the National Assembly, took part in a constituent meeting of the new Sofia Oblast BCP organization in Sofia on 15 December (Sofia Domestic Service in Bulgarian 1830 GMT 15 Dec 87).

Petur Dyulgerov, candidate member of the BCP Central Committee Politburo and chairman of the Central Council of Bulgarian Trade Unions, made a speech at the National Assembly session in Sofia on 10 December (Sofia RABOTNICHESKO DELO in Bulgarian 11 Dec 87 p 2). He departed for India on 13 December at the head of an official trade union delegation (Sofia Domestic Service in Bulgarian 1830 GMT 13 Dec 87) and signed a trade union cooperation agreement in New Delhi on 18 December (Sofia BTA in English 1906 GMT 18 Dec 87).

Grigor Stoichkov, candidate member of the BCP Central Committee Politburo, met Max Rinkenburger, a sports official, in Sofia on 18 December (Sofia BTA in English 1850 GMT 18 Dec 87).

Georgi Yordanov, candidate member of the BCP Central Committee and minister of culture, science, and education, signed a trade protocol with the DPRK in Sofia on 15 December (Sofia BTA in English 2001 GMT 15 Dec 87). In Sofia on 18 December Yordanov had a meeting with a Hungarian educational delegation led by Ferenc Ratkai, deputy minister of culture and education (Sofia Domestic Service in Bulgarian 1400 GMT 18 Dec 87)

Stoyan Mikhaylov, secretary of the BCP Central Committee, received an SED party delegation led by Franz Hentschel during their visit to Bulgaria from 7 through 11 December (Sofia RABOTNICHESKO DELO in Bulgarian 12 Dec 87 p 2).

Dimitur Stanishev, secretary of the BCP Central Committee, was received by Kenneth Kaunda in Zambia on 16 December (Sofia Domestic Service in Bulgarian 2027 GMT 16 Dec 87).

Further Reportage on CPCZ CC Session

Summary of Activities 16 Dec

AU181352 Bratislava PRAVDA in Slovak 17 Dec 87 p 1

[Unattributed "Report From a Session of the CPCZ Central Committee Presidium"]

[Text] Prague—At its session yesterday, the CPCZ Central Committee Presidium heard a report delivered by Comrade Gustav Husak on the meeting of general and first secretaries of the Central Committees of the fraternal parties of the Warsaw Pact member states in Berlin and fully endorsed the results of that meeting. It voiced great appreciation for Comrade Mikhail Gorbachev's information about the Washington summit. It expressed gratitude to the CPSU Central Committee, the USSR Government, and to Comrade Gorbachev personally for their efforts to make real progress in disarmament, especially in the nuclear sphere. The Berlin meeting reaffirmed the unity of the fraternal socialist countries and the significance of their coordinated foreign policy of peace.

Further on the Presidium assessed questions connected with the preparation of the CPCZ Central Committee session convened for today.

The Presidium also dealt with provisions for the executive state plan for 1988. It drew critical attention to the fact that the overall provisions for its targets in the economic plans are unsatisfactory, mainly in the sphere of qualitative indicators, capital investment, and deliveries for domestic and foreign trade.

It discussed the further course of action in securing the tasks of next year with a view to ensuring a trouble-free operation of the economy and enhancing its balance. It took note of the specific measures approved by the CSSR Government in this regard. The efforts of managerial staffs, but also those of party agencies and organizations must focus on resolutely overcoming existing shortcomings in the interest of further socioeconomic development, in accordance with the strategic guidelines laid down by the 17th CPCZ Congress.

The CPCZ Central Committee Presidium also assessed some other issues from the spheres of domestic and foreign policy and party work.

Jakes Meets Chief Secretaries

LD181438 Prague Domestic Service in Czech 1400 GMT 18 Dec 87

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, chaired a meeting with chief secretaries of the regional party committees at Prague Castle today. The talks concentrated on party work in securing the conclusions of the seventh session of the party Central Committee during the preparation of annual membership meetings of primary party organizations, of all-plenary sessions, and party conferences for next year.

The session was attended by Mikulas Beno, secretary of the party Central Committee.

Restructuring Resolution Issued

LD181713 Prague CTK in English 1536 GMT 18 Dec 87

[Text] Prague Dec 18 (CTK)—The Czechoslovak Communist Party Central Committee said in a resolution from its session today that restructuring in the country is aimed at an essential change in the method of management and planning of the national economy and the economic mechanism.

It should adjust the economic mechanism to correspond to the exacting demands of intensification and growth of economic effectiveness primarily by applying scientific and technological development in production. Central management is to be improved and rationalized and the independence of enterprises is to increase.

The resolution called for consistent application of the leading role of the party, democratic centralism, planned economy and distribution according to the results of work.

The Central Committee favourably assessed the results of public discussion on the draft laws on state enterprises and on agricultural, producer, consumer and housing cooperatives. Full support for the party policy, the basic intentions of restructuring and the draft legislation was expressed in the discussion, the resolution noted.

The Central Committee described further promotion of socialist democracy as the necessary precondition of restructuring. Socialist self-management at the same time presupposes strengthening of the high responsibility of the bodies of management and workteams for the implementation of tasks, good organization, order and discipline. Public information should be enhanced and the work of the mass media improved so that people correctly understand the purpose and aims of the social changes.

The Central Committee appreciated the effort of party bodies and organizations in implementing the conclusions of the 17th congress of the party. It criticized continuing serious problems and shortcomings in the implementation of tasks. An essential turn has not been achieved in the intensification of the national economy, in reducing the demands of production for raw and other materials and energy and cutting reserves. Shortcomings continue to exist in capital construction, scientific and technological development is applied at a slow rate and the technical standard and quality of products is not being appropriately improved. All this increases difficulties in supplier-consumer relations.

As a result, the planned level of the creation of the national income is not being achieved. The economic situation makes it imperative to solve in 1988 primarily the issues of the internal and external balance of the national economy, the resolution noted.

The Communist Party Central Committee highly appreciated the initiative, perseverance and consistency of the Soviet Communist Party Central Committee, its general secretary Mikhail Gorbachev and the Soviet Government in pushing for new thinking in international relations. This has resulted in the signing of a treaty between the Soviet Union and the USA on the elimination of two classes of nuclear weapons.

"We fully support further effort aimed at enhancing the process which has been started. These important steps distinctly concern the people of our country and their endeavour for a life in peace", the resolution said.

It listed the documents approved by the Central Committee at its session, among them the party presidium report on consistent implementation of the line of the 17th party congress, the Central Committee resolution on comprehensive restructuring of the economic mechanism and a resolution on improving personnel policy.

Resolution Adopted 18 Dec

LD182059 Prague Domestic Service in Czech 1600 GMT 18 Dec 87

[Text] After a discussion the CPCZ Central Committee has unanimously adopted a resolution.

The resolution says that the CPCZ Central Committee discussed a report of the party's Central Committee Presidium on consistent implementation of the guidelines of the 17th Party Congress on speeding up economic and social development, comprehensive restructuring, and deepening socialist democracy. The report was delivered by Comrade Milos Jakes, general secretary of the party's Central Committee.

In connection with implementation of the strategic guidelines of the 17th party congress for speeding up the social and economic development of society, he assessed the progress of work on the comprehensive restructuring of the economic mechanism. He stressed that restructuring follows a principled alteration of the management and planning of the national economy and the economic mechanism so that it will correspond to the demands of intensification and the growth of efficiency of the economy, above all by speedy introduction of scientific-technological development into production. It envisions improving the quality and rationalization of central management and increasing the independence of enterprises and their jurisdiction and responsibility for satisfying the needs of the society.

More efficient utilization of the objective laws of socialist construction demands consistent implementation of the party's leading role, democratic centralism, the planned character of the economy, and remuneration according to the results of work. Extra attention must be paid to broader verification of new elements in the experimenting organizations and preparation of the enterprises for new economic conditions.

The Central Committee positively assessed the results of public discussion of the draft bills on state enterprise, agriculture, production, consumer, and housing cooperatives which contributed toward finalization of the bills. It has become a significant step toward deepening socialist democracy, toward involving the broad public in the preparation for the restructuring of the economic mechanism. The discussion expressed full support for the party's policy, the fundamental aims of restructuring and the proposed bills.

The Central Committee considers the further deepening of socialist democracy as a necessary prerequisite for the restructuring of the economic mechanism and the other spheres of social life. This requires a high degree of activity by all links of the political system, beginning with the central organs, down to the organs and organizations at workplaces and the places which rely upon full development of the participation of the working people in management. At the same time, socialist self-management envisions strengthening the high responsibility of management organs and entire labor collectives for the fulfillment of tasks, implementing the needs of society, organization, order, and discipline. It is necessary to more efficiently influence the thinking of the people so that they will correctly understand the meaning, intentions, and aims of social transformations. At the same time, the public level of information and the quality of the work of mass communication media must be improved.

The CPCZ Central Committee praised the effort of party organs and organizations in fulfilling the conclusions of the 17th party congress, the results of those labor collectives which are coping with the planned tasks of the eighth 5-year-plan. At the same time it criticized the continuing serious problems and shortcomings in the fulfillment of tasks and the standard of management at all levels. The desired fundamental change in intensifying the national economy has not been achieved. There has been no turning point in reducing material, raw material, and power requirements of production and the reduction of stocks. Shortcomings in investment construction are still present and lasting, scientific-technical development is progressing slowly, technical standards and the quality of produces have not been increased in the appropriate manner. All of this is aggravating the difficulties in consumer-supplier relations, it has a negative impact on the valorization of products on internal and foreign markets, as well as an unfavorable influence on relations in labor collectives. Consequently the planned standard of the creation of the national income is not being achieved.

The economic situation demands that questions of the internal and external balance of the national economy should be given priority in 1988. The Party's Central Committee stresses that from the viewpoint of the implementation of the basic intentions and aims of the 17th CPCZ Congress, a key role is played by consistent elaboration of the 1988 plan and the securing of it, the effective utilization of all resources, reserves, and attainable possibilities, and the broad development of public activity of the working people. The 40th anniversary of Victorious February and the 70th anniversary of the proclamation of the Czechoslovak Republic provides a great opportunity for this.

The CPCZ Central Committee highly commended the initiative, perseverence, and consistency of the CPSU Central Committee, its general secretary Mikhail Gorbachev, and the Soviet Government in pushing through the new thinking in international relations, the result of which is the concluded treaty between the Soviet Union and the United States on the elimination of two classes of nuclear weapons. We fully support further efforts aimed at intensifying the process now begun. These important steps significantly concern the people of our country and their efforts to live their lives in peace. They create favorable conditions for the realization of challenging perspectives of the further development of our society.

The CPCZ Central Committee commits party bodies, organizations, and communists in all sections of the life of our society to adopt the necessary measures to carry out briefings on the conclusions adopted and to secure their thorough implementation. It attaches special significance to further improving the quality of cadre work, the creation of the prerequisites for ensuring that party bodies and organizations by their activity and by the example set by communists are in the vanguard of the struggle for realization of the strategy of acceleration and restructuring. The Central Committee expects party bodies and organizations and all communists to evolve a broad ideological, educational, and organizational work in work collectives aimed at thorough implementation of the strategic line set by the 17th CPCZ Congress to speed up economic and social development, comprehensive restructuring, and deepening of socialist democracy.

The yearly primary organizations' members meetings, all-plenary meetings, and party conference will become an important offensive launch-pad for this.

The CPCZ Central Committee approves:

1. The report of the CPCZ Central Committee Presidium "For Consistant Realization of the Line Set by the 17th CPCZ Congress for Speeding up Economic and Social Development, for Comprehensive Restructuring, for Deepening Socialist Democracy."

2. The resolution of the CPCZ Central Committee on comprehensive restructuring of the economic mechanism of Czechoslovakia and the securing of it.

3. That the draft bills on state enterprise, on agricultural cooperatives, and on production, consumer, and housing cooperatives should be submitted to the Federal Assembly after discussion by the Federal Government.

4. The resolution of the CPCZ Central Committee on improving the quality of the cadre policy.

5. The directive of the CPCZ Central Committee for disciplinary activity and the tackling of membership issues in party bodies and organizations.

6. The CPCZ budget for 1988.

7. The report on the activity of the Presidium, Secretariat, and Commissions of the CPCZ Central Committee for the period since the fifth CPCZ Central Committee session in March this year.

8. Cadre proposals.

The CPCZ Central Committee has taken note of:

1. The concluding information on the public debate of draft bills on state enterprise, on agricultural cooperatives, and on production, consumer, and housing cooperatives.

2. The resolution of the CPCZ Central Committee Presidium on yearly membership meetings of primary organizations of the party, all-plenary meetings, and party conferences in 1988.

3. The direction of the activity of party bodies and their apparatus of the primary organizations and party members in implementing the line of the 17th CPCZ Congress of acceleration, restructuring, and deepening socialist democracy.

4. Proposals aimed at galvanizing the National Front and the organizations associated in it and increasing their participation in shaping, implementing, and supervizing policies.

5. The direction of propaganda in 1988, especially in connection with the restructuring of the economic mechanism.

6. The political and organizational security of the conclusions of the 7th CPCZ Central Committee session.

Officials Appointed

LD181707 Prague CTK in English
1612 GMT 18 Dec 87

[Text] Prague Dec 18 (CTK)—The restructuring of Czechoslovak society takes place in conditions of a relatively favourable international situation, when tension has been reduced in Europe and the world over, Czechoslovak Foreign Minister Bohuslav Chnoupek said here today in a debate at the Czechoslovak Communist Party Central Committee session.

Bohuslav Chnoupek appreciated the signing of the treaty between the Soviet Union and the United States on the Liquidation of medium- and shorter-range nuclear missiles.

In a debate on the report of the Czechoslovak Communist Party Central Committee Presidium, 22 speakers expressed respect and thanks to Gustav Husak for his work which he had done for the party, and assured new General Secretary Milos Jakes of their support.

After the debate, the Central Committee unanimously approved a resolution.

The party Central Committee approved the transfer of Bohumil Urban from alternate to full membership of the party Central Committee.

It approved the release of Frantisek Tesar and Vladimir Pirosik as head secretaries of the party respectively, and approved Otto Liska and Jan Gajdosik as their respective replacements.

Jan Sterba was elected member of the National Economic Commission of the party Central Committee.

Milos Jakes delivered a speech at the close of the session.

Colotka Speaks

LD190924 Prague Domestic Service in Czech
0800 GMT 19 Dec 87

[Text] We shall now acquaint you with the contribution to the discussion at the seventh session of the CPCZ Central Committee delivered by Slovak Premier Peter Colotka, member of the CPCZ Central Committee Presidium.

He discussed the efforts by the Slovak government to lower material expenditure, above all by means of progressive structural changes, speeding-up scientific and technological progress and increasing all the qualitative aspects of the reproductive process. He said that the government is striving to achieve as soon as possible in timber and cellulose industries the results which have been envisaged by the extensive and necessary investment construction. Within the framework of the work on the ninth 5-Year Plan and long-term prospects, a program of gradual modernization and reconstruction of the individual branches of light, food, and chemical industries is under way with an increased share of production of low tonnage chemistry.

In the interest of balanced development, the Slovak Government will continue in the effort to increase self-sufficiency in the production of basic foodstuffs, as well as savings during their production. It is adopting measures to overcome the shortcomings on the domestic market where problems are appearing not only in the goods of long-term consumption or fashionable and luxury products, but also in the ordinary standard kinds of textiles and footwear. The government will ask from the production industry and commerce more entrepreneurial initiative and more qualified market research so that desired products might be manufactured out of the raw materials concerned.

Peter Colotka went on to say that the Slovak Government adopted for the eighth 5-Year Plan measures to increase the quality of construction materials, stricter adherence to technological discipline at construction sites, more efficient control of materials from extra-departmental suppliers, and higher quality architectural designs.

Peter Colotka discussed at the seventh session of the CPCZ Central Committee also the construction of Bratislava and stressed the need for a high degree of responsibility in safeguarding the tasks of the eighth 5-Year Plan.

Jakes Gives Closing Speech

LD182030 Prague Domestic Service in Czech
1730 GMT 18 Dec 87

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, spoke at the close of the seventh session of the CPCZ Central Committee in Prague today. He said:

We are concluding the seventh session of the party's Central Committee. It was anticipated with a great deal of interest both by the party and all society. This is not by chance. We have concerned ourselves with tackling issues that directly affect the life of all people and are of extraordinary significance both for the present and for the future.

The report of the Party's Central Committee Presidium and working papers expressed the view of the CPCZ Central Committee Presidium concerning our future course of action in implementing the strategic line laid down by the 17th congress to speed up social and economic development, comprehensive restructuring and democratization of all areas of society's life. In the full debate, which was very stimulating and which concentrated on restructuring, democratization, on the tackling of economic problems, the party's work in new conditions, and on the difficulties which we have been encountering, there was total support for the report and documents submitted. A number of proposals and observations were made in addition, whose use will be considered by the party's Central Committee Presidium. This is why I am not going to react to them individually.

As Comrade Milos Jakes said, we will have to concentrate all our attention now on the implementation of the resolutions adopted. This will not happen on its own. This requires increased demand on everyone and in all areas. This requires winning people over to our policy, giving full support to those—as was said on more than one occasion during the debate—who are sharing by the results of their work in the creation of resources for speeding up the economic and social development of our country in the interest of raising the people's living standards, irrespective of the area in which they work, manufacturing sector, sciences, education, in all areas of public life.

It was also said here that slipshod practices and bad workmanship cannot be tolerated. It is necessary to strengthen discipline and order everywhere. This is a part of the restructuring and democratization of public life. This is an important prerequisite of the realization of the changes in the economic mechanism and the resolution of the problems we are encountering today. Our intentions are fully in accord with the views of the public, as they manifested themselves in the debate on the draft bills on state enterprise and cooperatives. People call for new approaches and new ways of tackling the tasks of the further development of socialism by way of restructuring and democratization. The proposals we approved, Comrade Jakes said in his concluding speech at the seventh session of the CPCZ Central Committee, derive from our experiences and are based on the knowledge tested in practice both in our country and especially in the Soviet Union.

Restructuring in the Soviet Union is of special significance for us. Its aims are identical with our intentions and are close to our people. For this reason we will make comprehensive use of the experiences of the Soviet Union and the CPSU. We will continue to expand and strengthen the indissoluble friendship and cooperation between our countries and nations. In this we see the guarantee of the successful fulfillment of the tasks facing us, provided that we ourselves are going to work well. We are aware that each step forward will demand more energetic overcoming of obstacles and coping with more than one risk.

What impedes most a faster surge ahead, and what will we have to appose most? Primarily deep-rooted stereotypes and inertia both in work practices and in thinking, laxity, indifference and low standards, and attempts to preserve obsolete attitudes and criteria. We cannot continue to tolerate the not small shortcomings in meeting citizens' everyday needs as regards the trade sector, services, the quality of products, and bureaucratism of authorities. The persistence of them not only annoys and disgusts our citizens but in some instances causes mistrust in the party and socialism.

In this respect we must act much more decisively and consistently. These matters too were discussed in the debate. Among the serious obstacles are manifestations of overcautiousness and lack of commitment. There are also apprehensions and doubts as to whether we will manage to deal with the weak areas and overcome the sometimes longstanding backwardness in a number of sectors. It is precisely to these areas indicated in the debate that we must direct our attention in the coming period in order to achieve the necessary change in the overall atmosphere of our society and thus also strengthen the link between party and people. Everywhere—in the central administration, the regions, districts and at local level, at every workplace—we must know specifically what our objectives are and how to achieve them. We must be able to react promptly to difficulties which arise, militate against the underestimation of our possibilities, and not allow ourselves to be discouraged even by possible failures. The main direction for tackling our current tasks, as we have stressed, is restructuring. Discussion and argument can only be a question of how to prepare these revolutionary changes and implement them.

We see party unity and ability to act from top to bottom and the correct application of its leading role in society as the fundamental prerequisite for success, which was also stressed repeatedly in the debate, Comrade Milos Jakes stated. The core of restructuring is to create conditions for the people to participate actively in management, decisionmaking and problem-solving, for the development of their social commitment and production initiative. Everything that promotes this is in accordance with the requirements of restructuring, whether it be cadre policy or forms and methods of work. To make excuses by assuming that everything will be resolved by the central authorities is to fail to understand restructuring. Consequently, we must direct all activity of the party bodies and organizations toward working with the people. We must tackle key issues with their participation, seek their advice, learn from them, generalize their experience and suggestions, and use them. This is also one of the decisive prerequisites for the development of socialist democracy which we see as the unity of rights, duties, and social responsibility.

In this connection I would like to draw particular attention to the exceptional importance of using the creative potential of the younger generation, Comrade Milos Jakes continued. The importance of this social force grows proportionately to the difficulty of the tasks facing us. Young people have natural courage and energy, they are not trammeled by longstanding habits and stereotypes, and therefore—provided, of course, that they correctly grasp the purpose of restructuring—they have the potential to become, alongside more experienced comrades, the pioneers of new and progressive forms and methods of work. The party bodies and organizations, together with the state and economic bodies and social organizations, must give capable young people more opportunities and more scope for responsible work for socialism.

At our session we approved a resolution on cadre policy. As we all know, this is a key issue. The aim is to have capable managers willing to master the tasks of the strategy of acceleration in all places, and to stimulate and guide the initiative of the working people in this respect. The main criterion for assessing their activity—this applied in the past and must apply all the more so in the future—must be the results they achieve. These depend not only on professional competence and organizational and managerial skills but also on political maturity, moral integrity, and modesty. We must therefore pay attention to the education, selection, and training of such people.

The Party Central Committee Presidium report and the debate paid great attention to the implementation of tasks in our economy. This is no coincidence, because the fulfillment of tasks in this sphere is, in fact, the basic source of growth in living standards. In this area we have many shortcomings, both subjective and objective. The rate of intensification, as was stated, is slower than necessary. Scientific and technical progress still has not become the driving force of economic development. This cannot be overlooked. We must be more decisive in dealing with the shortcomings and ensure that from next year the tasks of the plan are fulfilled uniformly, that production is markedly improved, and that we make better use of our considerable production potential, raw and secondary materials, and the energy and abilities of our people.

We must also pay attention to widening the experiment and prepare it properly, because it will affect 30 percent of all employees in industry and the construction sector. We have agreed that in the interest of fulfilling the tasks, it is a matter of stirring the whole party and society into action toward restructuring, in the interests of the development of socialism in our country and its people. As we have stressed, there is a place, a chance, and an opportunity for every decent citizen in this effort.

The annual members' meetings and party conferences will soon be taking place. We attach particularly great importance to them for developing a creative atmosphere and for the determination to master the current complex tasks. They will be taking place at a time when we will be commemorating an event which marked the beginning of the socialist development of our country: the 40th anniversary of the victory of the Czechoslovak working people over the forces of reaction in February 1948. The initiative being developed in honor of this must be supported.

In addition, the annual members' meetings and conferences must take place in an open, democratic and critical atmosphere. They must rigorously assess current results of the party's work in implementing the strategy of acceleration and adopt material, specific and monitorable measures which will both help to enhance the authority of the party and strengthen its leading role at all workplaces and throughout society. They must help to foster the climate and conditions for smooth and efficient work and for ensuring the implementation of the tasks of the eighth 5-year plan by means of the intensification of economic development. Where necessary, the cadre structure of the elected bodies must also be reinforced. The annual meetings and conferences must responsibly assess how to strengthen the political impact of party members in work collectives in strengthening order and organization, and in the struggle against irresponsibility and sloppiness. They must also set out ways, better methods of informing the public about the activity of the party bodies and organizations and develop the most varied forms of open dialogue with the working people and citizens on the important issues of party policy and its implementation.

As Comrade Milos Jakes declared in his closing speech at the seventh session of the CPCZ Central Committee, toward this end it is necessary to direct the organizing, mass political work and ideological influence and to raise its standard, strengthen the application of the party's supervisory function, to rid party life of the manifestations of formalism, administrative and bureaucratic methods of activity. This will not all be possible without a change in thinking and in an approach to tasks, without mastering our resolutions by those who are supposed to fulfill them. This also demands improvement of the level of information of the people. The mass media are irreplaceable. We expect that they will contribute toward this by their aggressive approach.

In conclusion Comrade Milos Jakes yet again thanked Comrade Gustav Husak for his long years of dedicated work as head of the party Central Committee and wished him good health so that, together with us, he may continue to take part in party and state work. He also thanked people for the words of support which he received in order to carry out the responsibilities of the post which has been entrusted to him. I know, he said, that there is strength in the collective spirit, unity, organizations, and industry of the entire Central Committee, its Presidium, for this is what influences the activity of the entire party. It is true that in every labor collective there may arise both personal sympathies and also they must not hinder tackling actual problems. The interests of the party and the society must always have priority.

Through our effort, and our activities we want to make sure that 1988 will bring more steps leading toward a reduction of international tension, toward nuclear and chemical disarmament, and toward strengthening peace and progress. In the vanguard of this struggle is the USSR and the other countries of the socialist community. This policy has and will have our full support.

I should like to close by quoting Klement Gottwald: The greatest support, the greatest capital is the trust which the party holds among the masses. This trust is being created primarily by the party fulfilling its promises, so that what the party has said will become reality. End quote. I am convinced, Comrade Milos Jakes continued, that when we progress united in the spirit of these words people will fully support us, and the tasks about which we have talked will be fulfilled.

In conclusion Comrade Milos Jakes thanked all comrades for the work they had accomplished, wished them good health, personal happiness for them and their loved ones, and many successes in implementing the conclusions of the 17th party congress in the interest of the flourishing of our party and the happy life of its people.

Session Ends Dec 18

LD182104 Prague CTK in English
1936 GMT 18 Dec 87

[Text] Prague Dec 18 (CTK)—"The policy of the Communist Party of Czechoslovakia is and will be open, will rely on the interests and needs of the public", head of the party Central Committee International Department Michal Stefanak told foreign journalists here today.

"The Communist Party is the exponent of restructuring in our country, and this guarantees our successful advance along the road marked out by the revolutionary victory of the working people forty years ago", Michal Stefanak said reporting on the results of the two-day 7th plenary session of the Czechoslovak Communist party Central Committee, which ended here today.

He stressed that creative participation of the largest number of people in the process of restructuring will be crucial in the coming period. This process, which means acceleration of Czechoslovakia's social and economic development, is set forth in the conclusions of the 17th congress of the party held in March 1986, and therefore nothing need be changed in its intentions but its implementation must be accelerated and intensified. Impulses from the experiences of the Soviet Communist Party are especially important, Michal Stefanak said.

Michal Stefanak noted that a much wider scope is being opened for activities of the social organizations grouped in the National Front.

The progressive development of socialist society in Czechoslovakia will also be reflected in the preparation of a new constitution. The present one has been in force since 1960 and especially the declaration of Czechoslovakia as a Federative state in 1968 and the development in all spheres of public life have made legislative changes necessary.

In this context Michal Stefanak, member of the party Central Committee, appreciated the public discussion on the draft bills on socialist enterprises and cooperatives, which took place in Czechoslovakia in the last few months, as democratic, frank and useful. A similar discussion will be held on the draft constitution as well as on measures necessary to put the new economic mechanism into life in Czechoslovakia from January 1, 1991.

Tomas Assesses CPCZ CC Session

LD201020 Prague Domestic Service in Czech
1730 GMT 19 Dec 87

[Zdanek Tomas commentary]

[Text] "Unity Between Words and Action Is an Essential Condition for the Fulfillment of Tasks Facing the Whole Society," is the title of the following commentary on the conclusions reached at the seventh CPCZ Central Committee session, written by Zdenek Tomas:

These are fundamental issues concerning our development, following the 17th party congress, which constitute a break with the existing notions and move along the journey forward. The seventh session has confirmed the correctness of the aims set out. Their significance is given by the fact that at issue are the biggest revolutionary social changes that have occured since February 1948. They are equally as historic as they are essential.

Our present aim, as described by Comrade Milos Jakes, general secretary of the party Central Committee, is totally contained already in the concept of the report delivered: "For the Consistent Implementation of the Line Set by the 17th Party Congress To Speed Up Economic and Social Development, for the Comprehensive Restructuring and for Deepening Socialist Democracy." Our aims have not changed. No change in the political line is involved. The restructuring of the economy is the key factor.

What is new and, naturally, more demanding is the need to divorce ourselves speedily from what is preventing us from surging ahead quicker. We cannot be satisfied with the existing economic results. The issue is to ensure that the new economic mechanism corresponds to the requirements of the intensification of the economy and to growth of effectiveness, stimulates the utilization of the results of scientific and technological knowledge, helps carry out the necessary structural changes, and promotes broader integration in the international division of labor.

The gradual process of the most profound restructuring of social relations does not concern this 5-year period alone but a far longer time span. One only needs to reflect on the importance of speeding up scientific and technological progress in order to realize how much work is still ahead of us.

In our endeavors we are not alone. In the dialectics of general intentions and specific, unique solutions we absorb the rich experiences of the Soviet people. We, too, are faced with the need to go from the overwhelmingly administrative way of thinking over to the economic way. The resolution on the comprehensive restructuring of the economic mechanism gives us an unequivocal orientation and so does, for instance, the document proceeding from more than 100,000 findings from the public debate on the draft bills on state enterprises and cooperatives. Here, too, it has been confirmed that the party's effort at a united course of action is multiplied by forms of public information as well as by the fact that the party approaches all members of our society with trust, it consults them, and relies on their knowledge. It takes due and responsible account of their views. This has been borne out by the reactions to the conclusions of the seventh party Central Committee session we have been receiving daily.

The united course of action means that in the conditions of socially wide activity, the party pays great attention also to cadre policy, as borne out by the resolution adopted at the seventh session. It is clear that only better selection and training of talented people, especially young people, will be able to meet new commitments. The party bears high responsibility for the implementation of the program to which we subscribe. It approaches new commitments with the awareness that joint plans can only be realized in close ties with people, through their conscious activity and initiative, through all political parties and social organizations associated within the National Front, which are an indivisible expression of our understanding of socialist democracy; it approaches it with the full wealth of creative ideas now being discussed by communists prior to the annual meetings and conferences next year, in a spirit of the principles of social justice, humane social policy, of confronting difficulties along the path of restructuring and democratizing all areas of our life. It depends on each of us. Each one has the possibility of making one's own contribution to the implementation of the program of the 17th party congress and its 7th session. It is with these intentions and conviction that we are entering the 3d year of the eighth 5-year plan.

Charter 77 Cofounder on Leadership Change

AU181338 Vienna Domestic Service in German 1100 GMT 18 Dec 87

[Telephone interview with Czechoslovak Charter 77 cofounder Jaroslav Sabata by Austrian radio reporter Michael Kerbler in Prague on 18 December—recorded]

[Text] [Kerbler] Professor Sabata, Vaclav Havel said that the new man, Jakes, might have some sort of transitory function and he compared him with Moscow's party chief Chernenko. Do you share this opinion?

[Sabata] I do not quite share this opinion. In any case, it is a critical decision in a critical situation. In this spirit it is a provisional decision. But I do not dare to predict whether it will be a short-term matter, because the situation is totally different. In a certain way Jakes simply succeeds Gorbachev [as heard]. Gorbachev, on the other hand, broke up, so to speak, the old guard and embarked upon a new course. Jakes does not have to be so aggressive in this respect, thus we might have to expect several years of this—in a certain sense—provisional (?situation).

[Kerbler] Do you think that Mikhail Gorbachev and Moscow exerted their influence, that Moscow pulled the strings on this change, or has Prague anticipated Mikhail Gorbachev with the decision not to appoint the reformist Strougal but the rather conservative Jakes?

[Sabata] Neither Prague nor Moscow have a totally unambiguous line. Both in Moscow and in Prague there are different wings and more progressive and more conservative tendencies.

[Kerbler] Professor, was the decision made by the conservatives in Prague and the conservatives in Moscow, passing over Mikhail Gorbachev's head, so to speak?

[Sabata] I cannot totally exclude this. Anyway, this decision stresses the continuity of the policy developed since the normalization and, in this respect, it is much rather the conservative forces that are at work.

[Kerbler] There have been several rumors in Prague that today there will be various changes at the ministerial level. Do you consider it likely that after Jakes' appointment other personnel changes will be made, too?

[Sabata] Yes, I consider this likely. I have also heard these rumors. In general, it would be very logical. Even if these changes are not made immediately, there will certainly be a restructuring after a period of time.

[Kerbler] You give me the cue of restructuring. Yesterday in a message to Milos Jakes, Mikhail Gorbachev said that it was necessary in the CSSR to restructure the economic mechanisms and to pursue the democratization of public life. Do you consider Jakes the man who will be able to enforce restructuring in the economic area and—what is probably much more important for the opposition in the country—will he really be able to go ahead with the democratization of public life?

[Sabata] The time is ripe. The men are old, but times have changed and the men in the leadership will be forced to do something. But if one considers the methods that are currently being used, one cannot in any way expect any profound changes. There is the question of the government's attitude to Charter 77. Will it correct the present attitude in a positive way or not? Do they understand this problem? This will not bring about a revolution, but a sign will be made that will be very important.

[Kerbler] Everyone is now talking about Husak and the new man, Jakes. Hardly anyone talks about Alexander Dubcek. Do you know anything about him?

[Sabata] No, I know that he is well and that he is interested in politics. Anyway, I think that he cannot be happy about this decision. I cannot predict whether Dubcek will now become more active but I think he should do so.

Defector Apprehended While Returning to CSSR

AU171229 Prague RUDE PRAVO in Czech 15 Dec 87 p 2

[Unsigned report in the "From the Black Chronicle" column]

[Text] Vladislav Derynk (born in 1958) was apprehended at the border at Dolni Dvoriste, Cesky Krumlov district, on Friday, 11 December, following his incursion into CSSR territory from Austria. The above-mentioned left the CSSR illegally for Austria on 12 August 1987. As he told the border authorities, he is returning following his disenchantment with social conditions in Austria.

Jakes Thanks Gorbachev for Congratulations

LD182008 Prague CTK in English 1925 GMT 18 Dec 87

[Text] Prague Dec 18 (CTK)—Czechoslovak Communist Party General Secretary Milos Jakes today thanked Soviet Communist Party General Secretary Mikhail Gorbachev for congratulations on his election as head of the Central Committee of the Czechoslovak Communist Party.

"I am fully aware of the great responsibility entrusted to me by the Central Committee of our party, whose 17th congress set forth an extensive and demanding program of further development and strengthening of socialism in our country and of speeding up the socio-economic development, linked with the restructuring and democratization of the life of society", Milos Jakes stressed in the telegram.

He pointed out that these questions and tasks are being solved by all socialist countries in their conditions. The actions of the fraternal Soviet Communist Party were a powerful impetus and are a fruitful inspiration for them. "We are gaining priceless experience from its resolute efforts for our own work", he wrote.

We shall do everything to further strengthen friendship and cooperation between the two communist parties and countries, Milos Jakes stressed.

Commentary on Gorbachev's Book

AU171034 Bratislava PRAVDA in Slovak 15 Dec 87 p 3

[Vladimir Gerloch article: "Pondering Mikhail Gorbachev's Book; Contribution to Dialogue"]

[Excerpts] Coincidentally, Czech and Slovak editions of Mikhail Gorbachev's book "Restructuring and the New Thinking For Our Country and the Whole World" were published shortly after the signing of the USSR-U.S. treaty in Washington on the elimination of medium-range and shorter-range missiles. [passage omitted]

The motive for this book, which without doubt will be one of the most read books next year, was the awareness that people throughout the world are alarmed by the fate of our planet, by the threat that has emerged to our earth and all mankind. [passage omitted]

Mikhail Gorbachev's book is addressed directly, without intermediaries, to the nations of the Soviet Union, the United States, and to the socialist and the capitalist countries. As the author writes, its objective is to share with the inhabitants of our planet views on issues which concern us all. He comes forward with ideas which by far not all people understand and accept, especially in countries separated from the Soviet Union by barriers of differing social relations and in which, moreover, there are numerous and influential currents and organizations, for whom everything "red" is the subject of inveterate hatred.

Shortly before Mikhail Gorbachev's journey to the United States, THE WASHINGTON POST, together with the ABC television station, published the result of a poll on the Americans' knowledge regarding Soviet-American relations. It showed that only one-third of the 1,007 polled knew that the two countries were allies during World War II. Hardly half of them had heard or read anything about the treaty on the elimination of medium-range and shorter-range missiles, which the representatives of the two countries signed a few days later. Three out of five Americans considered the Soviet Union to be a serious threat to the United States, and less than half were convinced that Soviet-American relations would improve in the next 10 years.

But lack of knowledge is not the only main obstacle with which one must reckon in the West, and which one must gradually overcome. Much more serious are the barriers which have come into being as the result of the lingering "arguments" from the arsenal of the "cold war," of presenting the Soviet Union as the "evil empire," of eliciting mistrust in advance by persistently describing the "Soviet threat," none of which is, a thing of the past, by a long shot.

Just before Mikhail Gorbachev's talks with Margaret Thatcher, the British daily THE TIMES published an article about Gorbachev's book by a certain George Urban. He characterizes the book as an "excellent trap in which part of the Western public will certainly get caught." In his article he presents a series of reproaches and distorted and false assertions about the contents, and, of course, he also furnishes many pieces of advice about what the book should contain on this theme. The starting point for his interpretation of the book is the assertion that the "Soviet system has failed" and Mikhail Gorbachev, "as soon as he has begun dragging the USSR out of the 18th century (sic!), is telling us what to do in the 21st century." What he calls the new thinking, allegedly, "already now creates its own utopia after he "courageously warned against the old Marxist-Leninist utopia." [quotation marks as published]. According to Urban "he and the truth are still marching to a different drummer." The sufficient reason for this assertion is, after all, the fact that Mikhail Gorbachev is convinced of the advantages of socialism and its final victory, that all his activity is in accordance with this conviction, and thus he has "disappointed" Mr Urban regarding the "liberation of Eastern Europe." Mr. Urban, namely, passes off Imre Nagy, who paved the way for armed counterrevolution in Hungary; Ota Sik, who wanted to launch a "third road" in Czechoslovakia, that is, according to his own words, set up enterprises in our country which would differ from the capitalist ones only by being the collective property of their employees; Lech Walesa, who has become famous by his utterance that as long as the government uses the term "socialism" there is nothing to discuss with it; as well as Alexander Dubcek, as "pioneers of glasnost and perestroyka," who "perhaps should be rehabilitated, if Gorbachev is serious about what he is doing."

This is truly an original interpretation of glasnost and perestroyka! Unfortunately, it is not an isolated one in capitalist countries. But other people live there, too—people who are seriously interested in finding out what is going on in the Soviet Union at present, the purpose of the process called perestroyka, its course, and what its consequences will be for the Soviet Union as well as for the international community, for people which Urban contemptuously regards as "naive and poltroons." [passage omitted]

Even after people of good will in various parts of the world have acquainted themselves with Mikhail Gorbachev's book, there is no doubt that capitalism will remain capitalism and socialism will remain socialism. But, perhaps, there will then be a decrease in the number of those who believe the various fabrications and blather disseminated by various Urbans, who are sowing mistrust and hostility toward the Soviet Union and its people. [passage omitted]

Deputy Foreign Minister Johanes Visits UK

Talks With State Minister

AU181350 Bratislava PRAVDA in Slovak 17 Dec 87 p 7

[CTK report in the "From the World" column: "Czechoslovak-British Consultations"]

[Text] Jaromir Johanes, CSSR first deputy minister of foreign affairs, conferred with David Mellor, British minister of state for foreign affairs, in London yesterday within the framework of Czechoslovak-British interministerial consultations. They discussed current Czechoslovak-British relations and prospects of their further development and exchanged views on the most important issues of the current international situation.

Meets Foreign Secretary Howe

*LD172351 Prague CTK in English
2002 GMT 17 Dec 87*

[Text] London Dec 17 (CTK correspondent)—British Foreign Secretary Geoffrey Howe received here today Czechoslovak Deputy Foreign Minister Jaromir Johanes.

They discussed Czechoslovak-British relations and the prospects of their further development. They expressed the conviction that the Soviet-American treaty on the liquidation of medium- and shorter-range missiles will contribute to greater confidence, relaxation of international tension and further progress in arms limitation.

Jaromir Johanes also met today with British Minister for Trade Alan Clark.

Chnoupek Receives Mexican Official

*LD171133 Prague CTK In English
1717 GMT 16 Dec 87*

[Text] Prague Dec 16 (CTK)—Czechoslovak Foreign Minister Bohuslav Chnoupek received here Wednesday Mexican Deputy Foreign Minister Ricardo Valero to discuss international topics and development of bilateral relations.

Czechoslovak Deputy Foreign Minister Roman Narozny and his Mexican counterpart Ricardo Valero signed here Wednesday a program of exchanges in culture and education for 1988-1990. The program envisages further development of cooperation in the above spheres.

Official Talks With EEC Open in Brussels

AU181351 Prague RUDE PRAVO in Czech 16 Dec 87 p 7

[CTK correspondent's report: "CSSR-EEC: Trade Talks"]

[Text] Brussels (CTK correspondent)—The second round of official talks on an agreement on trade in industrial products between the CSSR and the EEC started in Brussels on Tuesday [15 December]. The aim of the agreement is to create further prerequisites for the expansion of exports of traditional Czechoslovak products to EEC markets.

The Czechoslovak delegation to the talks is led by Miroslav Okrouhly, director of a Federal Ministry of Foreign Trade department, and the EEC delegation by Pablo Benavides, director of an EEC Commission department. The talks on the agreement are to help normalize relations between the CSSR and the EEC.

Rohlicek Discusses Future Changes in CEMA

LD201835 Bratislava Domestic Service in Slovak
1730 GMT 14 Dec 87

[Text] Economic reforms in all socialist countries also entail new approaches to socialist economic integration. The CEMA is to become a flexible and dynamically functioning organism which helps the economies of member countries in their development. Jana Havligerova talked to Rudolf Rohlicek, federal first deputy premier, about this topic:

[Begin Recording] [Havligerova] Czechoslovakia is linked to the CEMA states through deep economic ties. We receive extensive raw materials, fuel and other goods vital to our national economy from them. It is therefore clear that a stratgeic change in the development of our economy is not possible without the development of socialist economic integration. The classic exchange of goods for raw materials or goods for goods which has been taking place up to now will now not be sufficient for this.

[Rohlicek] Up to now, intergovernmental cooperation dominated, aimed in particular at securing continually increasing supplies of fuels, raw materials, and finished products. It has been shown that such a concept is not effective enough in solving complex production cooperation problems and problems connected with the development and speedy utilization of the newest findings of science and technology. It is now mainly a matter of working out a collective concept of international socialist division of labor for the period 1991-2005, and also of restructuring the mechanism of cooperation and even restructuring the organizational and institutional basis of our cooperation.

The new model of international division of labor covers the most important areas of the national economies. It is conceived in such a way as to perfect the process of specialization and the structure of the economies of member states, so that a specific basis for integration will be created which will solve the problem of parallel production and open up room for the dynamic development of individual sectors.

The new mechanism of cooperation will depend above all on the development of direct relations between economic organizations which will in the future become a main link of our integration. That is why, with the aid of the new economic concept, tools, conditions, and the necessary space will be allocated. This gives rise to the need to organize cooperation with a wider focus which will help us to work out joint action between states for the whole production cycle.

[Havligerova] These are the basic points of departure for achieving the goals that have been set. What concrete progress has there been?

[Rohlicek] The restructuring of the mechanism of cooperation will undeniably demand significant changes to individual elements of national and international management mechanisms. This very complicated problem is also connected with national peculiarities, the stage of development which production forces have reached, and also with the present stage of restructuring of national economic mechanisms. However, different countries are at different stages. The complicated nature of this problem at the international level can only be solved in stages. For this reason, at the present time key questions are being worked on, for example, the re-evaluation of the content and method of coordination of national economic plans, the perfecting of price-setting in trade, the link between national currencies with the convertible ruble, as well as questions connected with the strengthening of legal provisions, the fulfillment of undertakings and a number of other tasks.

[Havilgerova] We have already spoken of the mutual intertwining of the economies of the council's member states. What is the role of mutual economic relations with the Soviet Union during the period of restructuring?

[Rohlicek] The intensive development of the economies of both countries demands perfecting both general cooperation and the mechanisms. There will be a change in the structure of mutual trade, a gradual transition from the simple exchange of goods to broad industrial cooperation and to production specialization and cooperation. We must considerably perfect economic joint action by a broad development of direct relations between economic organisations and the creation of joint enterprises. The point of departure for further qualitative progress must be the concept of cooperation between our countries over the next 15 to 20 years, which is currently being jointly prepared. We also want to use the positive results and experiences from this bilateral cooperation in solving the mechanism questions at the multilateral level, as I have already mentioned. [end recording]

Ulcak, Arab-Envoys Discuss Gaza Unrest

LD182331 Prague CTK in English
1713 GMT 18 Dec 87

[Text] Prague Dec 18 (CTK)—The Palestinian actions are not only a protest against the Israeli terror but also demonstrate that the Palestinians have not reconciled themselves with the occupation and the denial of their right self-determination, Czechoslovak Deputy Foreign Minister Dusan Ulcak said here today.

At a meeting with the heads of diplomatic missions of Iraq, Algeria, Tunisia and the Palestine Liberation Organization in Prague, Dusan Ulcak stressed the present situation brings to the forefront the question of holding an international conference on the Middle East.

The diplomats informed the Czechoslovak representative of the situation in the Israeli-occupied Arab territories in connection with the protest actions of the local Arab population against the Israeli terror. They appreciated the support and sympathies of the Czechoslovak people for the Arab people of Palestine and asked for their intensification.

1988 Olympic Participation Confirmed

LD211410 East Berlin ADN International Service in German 1331 GMT 21 Dec 87

[Text] Berlin, 21 Dec (ADN)—In response to the invitation from the International Olympic Committee, the GDR National Olympic Committee [NOC] today confirmed to the IOC the participation of the GDR olympic team in the games of the 24th Olympiad in 1988 in Seoul.

The GDR NOC links with its decision the confident expectation that these olympic games will on the basis of the principles of the Olympic Charter make a contribution to the unity of the olympic movement, international understanding, and the preservation of world peace.

The GDR NOC will continue to support the efforts of the IOC to make possible the holding of olympic competitions in both parts of Korea.

Honecker Congratulates Jakes on Election

AU211351 East Berlin NEUES DEUTSCHLAND in German
18 Dec 87 p 1

["Cordial Congratulations to Milos Jakes on Election; Erich Honecker to General Secretary of CPCZ Central Committee"]

[Text] Berlin (ND)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, has sent the following congratulatory telegram to Milos Jakes, general secretary of the CPCZ Central Committee:

Esteemed Comrade Milos Jakes,

On your election as general secretary of the CPCZ Central Committee I convey to you cordial congratulations and fraternal militant greetings on behalf of the SED Central Committee, the GDR communists and people, and also on my own behalf.

We know and appreciate you as a tested Marxist-Leninist and convinced internationalist who is using all his power for the further development of socialist Czechoslovakia.

We are convinced that in future, too, the CSSR Communists, in close relation with all working people, will work with resourcefulness and perseverance on implementing the decisions of the 17th Congress, for socialism, peace, and progress.

You may rest assured that our Czechoslovak fraternal party can count on the SED as a loyal friend and reliable comrade in arms.

We will do everything to further strengthen our firm alliance and overall cooperation.

We wish you much success, creative vigor, and the best for your health in your highly responsible function.

With communist greetings,

E. Honecker,

General secretary of the SED Central Committee and chairman of the GDR State Council.

U.S. CW Production in 'Crass Contrast' to INF

LD181902 East Berlin ADN International Service in German 1700 GMT18 Dec 87

[Text] Berlin, 18 Dec ADN—The spokesman of the GDR Foreign Ministry, Ambassador Wolfgang Mayer, said that the start of the production of binary chemical weapons by the United States is worrying. This step is taking place at a time when the negotiations on the ban of chemical weapons at the Geneva Disarmament conference is offering the real opportunity of concluding the working out of a convention next year. In view of the progress recently achieved and the fact that the fundamental issues of an agreement have been already largely harmonized, preconditions exist for solving the detailed problems still outstanding. Many states, including the USSR, the GDR, and the other socialist states, have made their contributions toward this in year-long, complicated negotiations.

The production start of binary weapons is in crass contrast to these positive developments, especially since through the agreement of the USSR and United States on a treaty for the global elimination of the two countries' medium-range missiles the negotiations at the Geneva disarmament conference have been given a new impetus and the hopes of the peoples for the speedy elimination of a chemical threat had justifiably risen. Likewise both sides have expressly welcomed in the joint Soviet-U.S. summit statement the progress achieved so far and affirmed the need for intensive negotiations for the conclusion of a global and verifiable convention.

The GDR shares worldwide fears that the production start of a new generation of chemical weapons will undermine confidence and make the negotiations more difficult. The elimination of chemical arsenals requires at the present time more than ever realism and great responsibility on the part of all the negotiating partners.

Sindermann Opens People's Chamber Session

LD181034 East Berlin ADN International Service in German 0942 GMT 18 Dec 87

[Text] Berlin, 18 Dec ADN—The GDR People's Chamber met for its fifth session in Berlin on Friday morning. The session was opened by People's Chamber President Horst Sindermann.

The agenda includes the draft laws on the 1988 economic plan and on the 1988 state budget plan. These were approved by the fifth SED Central Committee session. Earlier, the relevant People's Chamber committees throughly discussed and approved the draft laws.

Willi Stoph, chairman of the Council of Ministers, moved the draft law for next year's economic plan. This plan, which is aimed at the steadfast implementation of the decisions of the 11th SED Congress, plays a key role in the fulfillment of the 1986 to 1990 5-year plan, he said.

Referring to Erich Honecker's concluding speech at the fifth SED Central Committee session, the speaker emphasized that it gave the basic direction for the work of the coming year. In all spheres of the economy it is important to further increase performance and step up the efficiency of production by means of comprehensive intensification.

Ernst Hoefner, the finance minister, will move the draft 1988 state budget plan. Spokesmen for the parliamentary groups and the FDGB will then comment on the plan documents. Ten requests to speak are before the presidium in all.

It is also planned at the fifth session of the People's Chamber to deal with the draft laws on the fourth criminal justice amendment law, the amendment and expansion of the judicature law, and the GDR Code of Criminal Procedure as well as GDR judicial assistance treaties between the GDR and the People's Republic of the Congo and the Republic of Finland. The session will conclude its work in the late afternoon.

Willi Stoph stressed that the continuation of the foreign policy of the GDR decided on by the 11th SED Congress, which is directed toward peace, disarmament, detente, and mutually advantageous cooperation, is indivisibly linked with our policy for the well-being of the people. When one looks at recent developments one can state that the peace policy of socialism is exerting a far-reaching and beneficial influence on the world political situation.

Touching on economic plans, the prime minister said that the following main indicators, among other things, speak for the continuing stable and dynamic economic growth of the GDR and the further implementation of the social policy:

Increase in produced national income in 1988 over 1987 of 4.1 percent;

Increase in net production of the industry ministries of 8 percent;

Growth in labor productivity in this sector on the basis of net production of 8 percent;

Increase in retail trade turnover and net monetary income of the population of 4 percent each;

211,462 housing units will be made available, of which 110,000 will be newly built and 101,462 modernized;

A total of M 74.1 billion in investment funds will be made available to the national economy.

For the broad application of key technologies 23,000 CAD/CAM work-stations and 15,620 industrial robots will be introduced into the national economy.

Finance Minister Ernst Hoefner said that the state budget plan is firmly based on socialist production conditions, and the industry, creativity, and high commitment of the working people. This proves that increasing economic performances will continue to guarantee social security and growing prosperity.

The 1988 state budget plan provides for revenues of M266,809 billion and expenditure of M266,634 billion, which allows for a revenue surplus of M175 million. Publicly owned industry will contribute 78 percent of all budget revenues. Among the most important items of expenditure are:

Expenditure on the housing construction program will be M30.5 billion, of which M16.3 billion will come from the state budget;

Price support aimed at securing stable prices of basic commodities, fares, and services for the population M49.5 billion. For every M100 of food purchased by the population price support from the state budget amounts to around M85;

Expenditure on public education, vocational training, adult education, and higher and technical education of M15.4 billion;

Health care and social care, including subsidies to social insurance total M25.2 billion;

National defense expenditure amounts to M15.6 billion. [as heard; 1987 defense expenditure was M15,140.9 billion]

Guenter Mittag, member of the Politburo and secretary of the SED Central Committee, was the first in the discussion to give his consent to the bills for the national economic and state budget plans on behalf of the SED group. The objectives contained therein were aimed at shaping further the advanced socialist society, to guarantee dynamic economic growth, and to consistently continue the course of the unity of economic and social policy, full employment, and the further development of socialist democracy. The economic strategy, which had proved itself in reality, was pointing the way.

Guenter Mittag said that the 1988 plan aimed at the further realization of the resolutions of the 11th SED Congress, which were supported and realized successfully by the whole people. [passage omitted]

The chairman of the FDGB National Executive, Harry Tisch, explained the consent of the trade unions to the bills under discussion. He said that the 1988 plan was a comprehensive trade union program whose tasks were discussed democratically and publicly. In the plan discussion the workers had dealt correctly and constructively with their own work and their own future. That was a democratic attitude to life which was possible only in the socialist society.

Referring to the 649,000 proposals for the plan discussion, Harry Tisch said that we are proud that so many good ideas were presented for the further opening up of the performance and efficiency reserves as well as for improved working and living conditions. My Place of Work—My Battle Station for Peace; this slogan was prominently confirmed through the forward-looking results of the summit meeting in Washington. The trade unionists, by looking carefully after the interests of the workers will do everything to ensure that the objectives of the national economic plan become reality for the benefit of the whole people. [passage omitted]

All the speakers, on behalf of their groups and based on the experiences of their own spheres of work, gave their consent to the bills.

The next point on the agenda was the bill concerning the amendment of the Judicature Law and the Code of Criminal Procedure (Fourth Criminal Justice Amendment Law). The written motion points out that with the abolition of the death penalty as decided by the GDR State Council, the relevant stipulations of the penal code had to be changed. Life imprisonment is now the most serious penalty.

Next the bill concerning the amendment and expansion of the Judicature Law and of the Code of Criminal Procedure was dealt with. It is the outcome of a resolution of the State Council to set up a Great Bench at the GDR Supreme Court.

In the interest of the further strengthening of the certainty of the law, the motion reads the possibility is thus to be created of lodging an appeal or complaint even against decisions taken in the first instance by the benches of the Supreme Court in criminal cases. Both bills were discussed by the Constitutional and Judicial Committee and recommended for acceptance by the plenum.

Afterward the People's Chamber accepted the written motion concerning the laws on the treaty between the GDR and People's Republic of the Congo on judicial assistance in civil, family, and criminal cases of 24 June 1987 and the treaty between the GDR and the Republic of Finland on judicial assistance in civil, family, and criminal cases of 1 October 1987. Acceptance had been recommended by the Committee for Foreign Affairs and the Constitutional and Judicial Committee. The deputies elected three judges of the supreme court; a letter from the chairman of the State Council was under consideration on this point of the agenda before the People's Chamber Presidium.

The proceedings were observed from the tribune among others by the chairmen of the councils of the bezirks [areas] and heads of diplomatic missions accredited to the GDR.

Economic Plan, Budget Plan Approved

LD181834 East Berlin ADN International Service in German 1506 GMT 18 Dec 87

[Text] Berlin, 18 Dec ADN—The national economic plan and the state budget plan for 1988 have been unanimously adopted by the deputies of the People's Chamber in Berlin.

Earlier, spokesmen for the parliamentary groups gave their approval to the bills during a creative debate.

DPA Reports Domestic Policy 'Open Letter'

LD181640 Hamburg DPA in German 1330 GMT 18 Dec 87

East Berlin (DPA)—Confidence-building measures in domestic policy, including the abolition of the order to shoot at the frontier with the FRG, are demanded in an "open letter" which was submitted in the late summer to state and party leader Erich Honecker. A petition to the People's Chamber in East Berlin, which became known on Friday, says that so far 1,362 GDR citizens have shown their solidarity with the contents of this letter by signing it. At the same time the petition, which was reportedly conveyed to the people's Chamber this week, protested that there was no answer to the letter submitted to Honecker.

It was also proposed in the "open letter" that the production, sale, and import of war toys should be banned. Defense instruction in the schools and premilitary training should be abolished and the "glorification of the soldier's status in propaganda material" should be prohibited. Nor should there be any financial or professional privileges for school children, trainees, and students who commit themselves to longer service in the army beyond the usual conscription period. There is also a demand for service in social work as an alternative to military service which would be "fully equal" to service in the National People's Army. In the petition the People's Chamber deputies were asked to support these "confidence-building measures toward disarmament".

cliches of a "threat from the East" have, to a considerable extent, lost their attraction, the most aggressive imperialist forces have by no means bowed out.

We cannot disregard the fact that influential forces in capitalist countries are calling for compensating the agreed disarmament in one type of weapon through intensified arms escalation in another. Upset by technological arrogance, they continue to nurture the illusory hope of being able to attain military superiority over socialism. These forces will, however, not risk everything if the forces of peace in all countries continue to resolutely bring their influence to bear.

There will be no automatism in future either. Great efforts are still needed to realize what has been agreed and to achieve accords that bring us closer to our declared aim—the creation of a comprehensive system of international security.

Against the background of the financial crisis—which has now become public—of the United States and the capitalist system as a result of debts caused by the arms escalation, concern and insecurity is increasing throughout the capitalist countries.

Voices are multiplying in the United States to halt the process of continued state debt, to concentrate again on economic recovery, above all of the civilian industry, and to create a foreign policy for this purpose that gives priority to policy and not military factors. Whether this will come about can only be determined by future developments.

In fraternal alliance with the CPSU, the peoples of the Soviet Union, and all fighters for peace and social progress, our party and the citizens of our country, together celebrated the 70th anniversary of the Great October Socialist Revolution. At that time the foundation stone was laid for the global transition of the peoples from capitalism to socialism, from the realm of necessities to the realm of freedom, peace, social justice, and human dignity. The Soviet Union was transformed from a divided, backward country into a socialist world power that possesses all the preconditions for solving the tasks of the present and the future.

The implementation of the decisions of the 27th CPSU Congress to perfect the socialist social order in the Soviet Union, and to establish new thinking in the international arena is of great importance for the cause of Red October, for strengthening socialism in the USSR, and for its influence on global events. We are profoundly convinced that the CPSU and the Soviet people will succeed with the impetus from those October days in bringing to fruition the advantages and driving forces inherent in socialism, the report says. The path taken by the socialist countries is given particular weight by the revolutionary changes in the Soviet Union. The communists and the people of the GDR are watching, in a spirit of internationalist and fraternal solidarity, the struggle of the CPSU to implement the course of restructuring and renewal, to which the implementation of the decisions by the 11th SED Congress is making an active contribution.

In the period covered by the report, we have also made progress in developing our relations with the other socialist countries, the report notes. We have been and are endeavoring to strengthen cooperation among the socialist countries, taking into account the multiplicity of their development, their responsibility for the destiny of their own people, and respect for the performances of friends and allies, mutual trust, and reciprocal advantage. It is our aim to make ever clearer the advantages of socialism by making successful progress in the development of the advanced socialist society in our own country, and through close cooperation with the fraternal countries. This is also the intention of the resolution on "The Transformation of Multilateral Cooperation and Socialist Economic Integration as well as the work of CEMA," which was adopted by the 43d extraordinary CEMA conference in Moscow on 13-14 October.

Of particular signifiance for the improvement of the political climate, for peace, disarmament, and cooperation in Europe was the official visit by Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, to the FRG from 7 to 11 September, which is rightly seen as a success for the policy of reason and realism. It was fully supported by GDR citizens; it found widespread agreement among FRG citizens; and it was given extraordinary attention on all continents.

It was made clear that the GDR and the FRG, as sovereign, independent, equal states, can contribute to peace and security in Europe through relations of peaceful coexistence and mutually beneficial cooperation. They have a special responsibility for peace at the dividing line between the two differing social systems—between the Warsaw Pact and NATO.

This is acknowledged by the joint communique when it says "that the relationship between the two states must remain a stabilizing factor for constructive East-West relations. It should contribute positive impulses for peaceful cooperation and dialogue in Europe and beyond." There can be no good-neighbourly, peaceful relations without the peaceful togetherness of the GDR and the FRG.

During an intensive exchange of views between Erich Honecker and FRG Federal President Richard von Weizsaecker, Federal Chancellor Helmut Kohl, and other leading FRG politicians, including all the chairmen of the parties represented in the Bundestag, the joint view was stressed that peace cannot be armed for in the nuclear age. Peace can only be preserved and strengthened today through disarmament and joint security. This far-reaching agreement on the question of peace is the decisive result of Erich Honecker's visit to our Western neighbor. On this basis, the contribution of the two German states was stressed for the successful course of international negotiations on effective arms control and disarmament measures. The two sides should take action to this end within their respective alliances.

The fact that the two German states, as jointly stated, support the scrapping of nuclear medium-range missiles without if's and but's, is a deed for meeting the obligation to ensure that war shall never again emanate from German soil, rather only peace.

The GDR and the FRG also made a visible contribution to the success of the summit meeting between Mikhail Gorbachev and Ronald Reagan, in that they supported a double-zero option in operational-tactical and medium-range missiles.

Proceeding from the desire announced by the two sides in the joint communique to promote steps toward disarmament and detente, we now believe the time has come to start negotiations on the creation of a corridor free of nuclear weapons in central Europe. In view of the INF Treaty just signed, we support negotiations on the reduction of shorter-range nuclear missiles. We are in favor of freeing Europe from nuclear weapons.

An immediate halt to the stationing of cruise missiles in the FRG before the ratification of the INF treaty by the Soviet Union and the United States would produce greater security now. We share the view that the FRG should follow the example of Belgium and the Netherlands. Obstacles must not be allowed through new and modernized short-range missiles. Moreover nuclear disarmament, to the point of the complete scrapping of nuclear weapons, must not be compensated for by enhanced conventional arms. We want disarmament for all weapons. In short, fresh opportunities exist for creating peace with ever fewer weapons. It is important to make use of them in the accepted vital interests of the states and peoples of Europe. The peace-threatening doctrine of deterrence should be replaced by a humanist doctrine, of joint security, as set out in the Warsaw Pact military doctrine.

We agree with the view of decisive political forces in the FRG that in relations between the socialist GDR and capitalist FRG peace is not everything, but all else is nothing without peace. Peace preservation and the joint responsibility for peace remains the key issue in relations between the two German states. In this it should be stressed in particular that the inviolability of the postwar order is a very important condition in the process of strengthening peace and creating a system of guaranteed security which lies in the interests of all European states. We do not want confrontation within the FRG, but dialogue and cooperation. Further decisive steps toward normalization between the two German states serve peace in Europe, promote understanding, and bring advantages to people in the two states.

During the official visit by Erich Honecker, paths were opened and fresh prospects toward this were found. The agreements and acords between the GDR and FRG Governments in the spheres of environmental protection, radiation protection, and cooperation in science and technology create fresh possibilities for cooperation and collaboration in important spheres.

A series of stipulations serve the development of relations in the spheres of the economy and trade, scientific-technical cooperation, environmental protection, and in the cultural and humanitarian sphere. Bilateral meetings of ministers, improvements in the travel and postal sectors, further town-twinning agreements between towns in the GDR and the FRG, and parliamentary visits show that the agreements have been followed by action.

The GDR will initiate the joint stipulations in the communique step by step and implement the commitments entered into without restriction, although the fact must not be overlooked that certain political forces in the FRG have still not given up their attempts at interference in the GDR's internal affairs.

The course and the results of Erich Honecker's visit to the FRG reaffirmed to the whole world the international nature of the relations between the two German states.

Of fundamental importance in this connection are the stressing of the acknowledgement of the inviolability of the European borders, which came into being after World War II, and the mutual agreement that each of the two German states itself determines its internal and external affairs in sovereign fashion and in accordance with the basic treaty.

The fact that the GDR head of state was received in Bonn with the national anthem, state flag, and a military ceremony, in accordance with international practice, means that the commentators of the world's agencies are right in saying that thus "realism has finally prevailed."

Dreams are but shadows. This has been proved yet again, in particular with regard to fireside dreaming about "reunification." This is increasingly being realized by influential political circles in the FRG, by representatives of the economic, cultural, and intellectual life. The truth stressed by Erich Honecker that socialism and capitalism can as little be united as fire and water has now already entered into the political vocabulary everywhere.

In the interests of the normalization of relations with West Berlin in the period under review, the negotiations between representatives of the governments of the GDR and the Senate of West Berlin on a number of practical questions were continued.

Despite many attempts at disruption by the Western side, the GDR is demonstrating in this way its good will to ensure peaceful coexistence between the GDR and West Berlin. The basic condition for this continues to be, of course, that the Four Power Agreement on West Berlin, with its central provision that West Berlin is not part of the Federal Republic and may not be governed by it, is not circumvented. An increasing number of political forces in West Berlin who are concerned about the future of their city also see it in this light. We are for the strict observation and full application of the Four Power agreement on West Berlin.

Relations have been expanded with other capitalist countries, too, the report says. It points to the constructive political dialogue during the state visit by Finnish President Dr Mauno Koivisto to the GDR. During his state visit to Belgium, Erich Honecker was honored as the representative of socialist Germany and as a proven fighter of the German anti-fascist resistance. The talks with King Baudouin I, with Prime Minister Martens, and with other personages showed that there is agreement on a number of fundamental issues on the safeguarding of peace.

The GDR attaches great importance to the continuation of the CSCE process, the report stresses. For this it has, like the other socialist states and the majority of the other countries participating in the Vienna CSCE follow-up meeting, tabled numerous proposals. Specific agreements are now necessary for the consolidation of detente on the continent. This applies primarily to the elaboration of a mandate for future negotiations on arms limitation and disarmament in the conventional sphere from the Atlantic to the Urals, which should begin in 1988.

As far as the Vienna negotiations on a mutual reduction in armed forces and armaments in Central Europe are concerned, the GDR holds the view that they should end with a positive result while maintaining the principle of equality and equal security.

Our republic supports the proposals made by Mikhail Gorbachev for limiting and reducing military activities in the north of our planet and for turning the Arctic into a zone of lasting peace. We welcome the initiatives of Finland and other states toward making northern Europe nuclear free.

The efforts to liberate the Balkans from nuclear and chemical weapons find our full support. As to date, the GDR will continue to contribute toward strengthening global and regional security with initiative and a willingness to accept partial solutions. It will continue its efforts, initiated together with the CSSR, for the creation of a nuclear weapon-free corridor and a zone free from chemical weapons in Central Europe.

We continue to favor creating more security with fewer weapons. In addition to a radical reduction in strategic offensive weapons, the maintenance of the ABM Treaty, and preventing the spread of armaments to space, a ban on nuclear weapon tests and chemical weapons and substantial disarmament in the conventional area in particular are on the agenda. The GDR accepts all controls which are agreed and appropriate to jointly formulated concerns. As the British inspection carried out in September on the basis of the Stockholm agreement of units of the National People's Army has proved, the GDR strictly maintains the corresponding commitments. We also regard as useful the intensification of dialogue at the level of the organizations of the Warsaw Pact and of NATO.

We note with satisfaction that not only the socialist fraternal countries but also a series of neutral and nonaligned and other states support the proposal from the GDR and the CSSR for the creation of a nuclear weapon-free corridor in central Europe.

An expression of the increased international respect for the GDR is the tribute paid to its peace policy by the spokesmen of the socialist states and numerous representatives of developing countries and capitalist states in connection with the election of Comrade Peter Florin as president of the 42d UN General Assembly.

The report points out that the states of Asia, Africa, and Latin America have, since the nonaligned summit in Harare in 1986, backed with even greater commitment the prevention of a nuclear war and the elimination of regional sources of crisis and conflict.

An increasing danger to peace in the world comes from the escalating conflicts in the Persian Gulf, it is stressed. The GDR supports Security Council Resolution 598 as the basis for a peaceful settlement of the conflict between Iran and Iraq. It affirms its positive attitude to the proposal for the convening of an international Near East peace conference, in which the PLO would take part on an equal basis.

The report recalls that Erich Honecker, speaking to the Afghan foreign minister, welcomed the process of national reconciliation initiated by the Democratic People's Party as an important contribution to the consolidation of peace in Asia. Steps undertaken by the Government of the PRK aimed at national reconciliation and fo rthe creation of a neutral, free, independent, and nonaligned Kampuchea also meet with the full support of the GDR.

Southern Africa remains a dangerous source of conflict in the world. The apartheid regime is the main obstacle to a peaceful and fruitful development of southern Africa, from which great dangers derive for security and world peace. The GDR and the SED will continue to stand in firm solidarity beside the peoples of Mozambique, Angola, the other Frontline States, the African National Congress, and the South-West Africa People's Organization.

The GDR attaches great significance to the states and peoples of Latin America striving for independence and democracy. During his meeting with Nicaraguan President Daniel Ortega in Moscow, Comrade Erich Honecker paid tribute to the self-sacrificing struggle of the Nicaraguan people under the leadership of the Sandinist National Liberation Front to defend its revolutionary achievements.

The international meeting held in Moscow at the instigation of the CPSU to mark the 70th anniversary of the October Revolution was a historically important event. The leaders of 178 communist and workers' parties, revolutionary-democratic, national democratic, socialist and social-democratic parties, other democratic parties, and national liberation movements from 120 countries were present.

The participants in the meeting agreed that the securing of mankind's survival calls for their cooperation, whatever ideas about social progress they may have. The meeting demonstrated that the communist and other parties and movements are aware of their responsibility in the struggle against the danger of a nuclear world war. It was stressed that peaceful coexistence by no means cancels out the class struggle and the opposition between systems. Rather what is important is that different ideological positions and different interests of states should be pursued only by peaceful means in the competition between systems, and never by military means.

The participants in the meeting put the vital issues of the peoples at the top of their agenda. Just as the securing of peace is the life and death question for all men, so the removal of all imperialist scourges on mankind remains on the agenda. As long as there are classes and class struggles, as long as there is colonial oppression, the struggle for liberation from exploitation and oppression will continue. In the interests of securing peace and social progress, we have continued during the report period to cooperate and exchange views with communist and workers' parties, revolutionary-democratic, national-democratic, socialist, and social-democratic parties, and with liberation movements.

Of increasing importance is the exchange of views and experiences with the fraternal parties in socialist countries, which center on the struggle for peace and the newly emerging issues of socialist reconstruction.

In this cooperation between the fraternal parties, which embraces both national and international interests, mutual understanding is strengthened and mutual support is deepened. In the 70th year of Red October, the exchange of opinions and experiences with the CPSU was particularly intensive. The experiences in the implementation of the resolutions of the 11th SED Congress and the 27th CPSU Congress, experiences which are identical and specific, offer a good basis for the successful execution of the revolutions of our 11th party congress, the report says.

Relations with the other fraternal parties were also purposefully pursued.

Issues relating to the securing of peace and the active furtherance of the interests of the working class and of the working people, under the conditions of a capitalist application of the scientific-technological revolution, were the main focus in the report period with regard to the exchange of views and experiences with communist and workers' parties in capitalist countries. The comrades of the fraternal parties paid tribute to the beneficial influence of the active and flexible peace policy of the socialist states, which is giving new impetus to the struggle for peace in the capitalist countries, the report adds.

The main focus of the exchanges of delegations and experiences with parties and national liberation movements of Asia, Africa, and Latin America, was issues relating to the securing of world peace and current tasks in the struggle for social progress in view of the changed circumstances of the international class struggle. The representatives of the fraternal parties paid tribute to the internationalist solidarity of the SED and the citizens of the GDR, particularly with those parties and organizations which are exposed to particular pressure from imperialism and reactionary forces.

The report states: From here, we reaffirm our protest against the illegal imprisonment of Haydar Kutlu, general secretary of the Communist Party of Turkey Central Committee, and Nihat Sargin, general secretary of the Turkish Workers' Party, and demand their immediate release.

An important place in the SED's international work is occupied by political dialogue with socialist and social-democratic parties in the interests of safeguarding peace. In the past few weeks, for example, a large number of political talks and meetings took place between Comrade Erich Honecker, general secretary of the SED Central Committee, and other politburo members with leading SPD politicians.

Erich Honecker's meeting, in particular, in Berlin with Saarland Premier Oskar Lafontaine; with Klaus Von Dohnanyi, senate president and mayor of Hamburg; with Klaus Wedemeier, mayor of Bremen; his talks with Dieter Spoeri, member of the SPD Bundestag group and leading candidate in the Baden-Wuerttemberg state election to be held in spring 1988; with Bjoern Engholm, chairman of the SPD group in the Schleswig-Holstein State Parliament; and with Gerhard Schroeder, chairman of the SPD group in the Lower Saxony State

Parliament, served the discussion of mutually interesting questions and the deepening of relations between the SED and the SPD. This was also the goal of meetings between GDR social scientists and members of the SPD'S Basic Values Commission.

The joint document "The Dispute of Ideologies and Common Security," presented by the Academy of Social Sciences of the SED Central Committee and the SPD's Basic Values Commission in August, is of historic importance. With this document, an agreement between German communists and social democrats was reached for the first time in almost 70 years; it has created a common platform for collaboration between the two parties in decisive issues of our time. Starting from the conclusion that mankind can now only survive or perish together, the responsibility of the two parties in the fight for peace and for joint security stands at the heart of their cooperation. The document does not blur ideological contradictions, nor does it allow space for ideological coexistence. There is no convergence between the two social systems. Under the conditions of the nuclear age, however, communists and social democrats must move toward one another as never before and conduct their ideological differences with one another in such a way that it promotes the common striving for peace. For a long time this document will form the basis for the work of our two parties on questions of peace and security, peaceful competition between the two systems, and joint responsibility for the solution of other global questions of mankind. It also places high demands on the ideological work of our party organizations.

The document is meeting with great and growing international approval.

The Politburo states: in town and country, the workers have made great efforts toward successful progress on the main battleground for the unity of economic and social policy as the core of economic strategy. Within the firm relationship of trust between the party and the people, the workers ahve taken the resolutions of the 11th party congress to their hearts and are implementing them with great personal commitment, the report says.

A broad democratic discussion of demanding plan tasks in the coming year was conducted in direct connection with the struggle for the all-round fulfillment and purposeful over-fulfillment of the 1987 economic plan. Some 6.2 million workers took part in the 1988 plan discussion. More than 649,000 suggestions made bear witness to the constructive spirit of the discussions in the trade union groups under the slogan "Join in Work, Planning, and Governing." They were aimed both at the increase of productivity by means of intensification, and at the improvement of working and living conditions. They were taken account of in the draft plans.

In keeping with the resolutions of the 11th party congress, the supervisory consultations at the seminar of the SED Central Committee with the general directors of the combines and the party organizers of the Central Committee were used to strengthen the militant position in all combines for the fulfillment of the 1987 plan and the drafting of a 1988 plan aimed at high output.

All this underscores once again the great mobilizing role of our party, the strength of our socialist democracy.

Month by month over the report period, the Politburo concerned itself with the implementation of the 1987 economic plan. It laid down the necessary tasks for the state and economic bodies for strengthening economic performance.

Up to the end of November, the produced national income rose by 4 percent. As for the first time last year, this growth is once again totally based on an increase in labor productivity. That is a great achievement. What lies behind it is the energy and the personal determined action of workers in all sectors of our economy.

It was industry that made the most significant contribution to the boosting of the economic performance. Its share in the growth of national income is 80 percent. Up to the end of November, the industrial combines raised net production by 6.1 percent. All sectors of the economy contributed to the positive balance. The workers of the construction industry raised net production by 3.9 percent and labor productivity by 5.2 percent. The achievements would have been all the greater if we had succeeded in securing the supply of building materials everywhere, all the time, the report adds.

Outstanding efforts were also made by the cooperative farmers and workers in agriculture, forestry and the foodstuffs industry. Actively supported by many hard working helpers, and under complicated weather conditions, the best harvest in the history of the GDR was brought in, with 45.9 decitonnes of grain and 51 grain units per hectare. By the end of November, the plan for sales to the state of slaughtered animals had been overfulfilled by 85,000 tonnes, of milk by 300,688 tonnes, and of eggs by 133.3 million units.

The electrification of another 269 km of railway by the end of November helped the more efficient solution of transport tasks. At the same time it was necessary to carry out measures for the stabilization and increase of the network's efficiency. That applies above all to the replacement of railroad ties and pylons damaged by alkali. This year some 300 km of the railway will be renovated. This work will be continued in the coming years on another 500-600 km.

What was and remains of crucial importance for the increase in output and growing efficiency in all sectors is the growing economic productiveness of scientific-technological work.

On the eve of the 38th anniversary of the GDR, for example, it was possible to go over to the use of home produced 256 kilobyte memory circuits after a technological production line for this had started up operation at the Carl Zeiss Jena Combine. Our country has thus reached the international standard in the most frequently used state-of-the-art microelectronic memory circuits. Once more an embargo has been broken. This is a renewed convincing expression of the efficiency of industry, science, and education, in the GDR in mastering high technologies. The basis for this is a well-functioning system of socialist planned economy.

Witness to the rapid and broad application of key technologies is the fact that so far this year 44,084 office, personal, and workstation computers and 15,145 robots have been manufactured. Closely linked with this is an 81-percent increase in the production of memories for computer technology, and of 68 percent in the case of printers.

The production of solid-state integrated circuits grew by 54 percent and of microprinting equipment by 26 percent. By the end of November, 41,000 CAD-CAM workstations were in use in the national economy.

In accordance with the unity of economic and social policy, high production performances were directly linked with an improvement of the peoples' material and cultural living standards. Up to the end of November, 190,240 homes had been newly built or modernized, which is 5,840 more than envisaged by the plan. Living conditions thus improved for 571,000 citizens. In the same period the network of communal establishments was expanded.

Up to the end of November, 16,478 kindergarten and 6,169 nurseries were created, 1,722 classrooms in schools of general education and 107 school gymnasia were handed over; 1,914 places in retirement and nursing homes, 251 out-patient doctors' posts, and 1,700 places in youth clubs were created.

The plan for building repairs to residential accomodation was overfulfilled by 2.2 percent, but there are backlogs in 46 districts [kreise]. The Politburo has taken measures to develop the unity of new building, reconstruction, modernization, and preservation, the report says. It is a matter of achieving the highest possible social results with the available funds. Everywhere care must taken to see that the means and funds planned for housing construction are used fully for solving the social problem of housing.

The increase in holiday entitlement for some 860,000 older working people has met with a great response and broad approval. This is a means of honoring in a special way the performances of those working people who with high commitment over decades have helped shape the development of our socialist society.

Up to the end of November the net monetary income of the population rose by 4.6 percent, and by the same date the population had purchased 3.5 billion marks worth of goods more than in the equivalent period of the previous year.

Here we do not fail to recognize that for some goods, despite their increased availability, demand has grown more rapidly. This applies to hard and sliced cheese, various kinds of long-life bakery goods, certain dietary articles, and products for healthy nutrition. Despite great efforts there were at times limitations on the range of fruit and vegetables on offer. This was also partly caused by considerable short-falls in deliveries from our traditional supplier countries.

Steady supplies were also adversely affected by a number of contract and supply backlogs, especially with regard to clothing articles such as children's trousers, ladies' dresses, and knitted underwear, and also with regard to furniture and upholstery, washing machines, leather goods, outdoor shoes, and small motorcycles. The sales of industrial goods remained, despite further increases, below the rate envisaged by the plan.

The government has taken measures for the strict observance of agreed supply contracts, for making good backlogs, and for making additional goods available.

Initiatives for the development of private trading and craft enterprises are to be encouraged and supported.

The decisive condition for continuity and stability of supplies is and remains increasing performances in production, corresponding incomes for the working people, and such goods in the shops as citizens can well afford to buy for their money.

The newly developed products include SLR cameras, coffee machines, percussion drill machinery, color television sets, and cassette recorders, the production of which increased over 25 percent in 1987 compared with the previous year. In the considerable annual increase of total commodities available to the population, the quantitatively high level of supply must be better matched to the continually rising demands made of use-value, technical standards, attractiveness, and modern design.

For the comprehensive implementation of the tasks set at the 11th congress, the Politburo accordingly adopted measures for improving management, planning, and economic accountability for cooperation between production and trade.

At today's meeting of the Central Committee, we insist that managers in the state and economy, the area [Bezirk] and district [Kreis] executives and party organizations resolutely conduct the struggle for the all-round implementation and, in terms of product, overfulfillment of the 1987 economic plan, right up to the last day of the year. In line with our socialist planned economy, production in line with the contract, in good quality, with low costs, and a high degree of processing of materials is important.

These fundamental tasks must be linked to a good all-round preparation of the initial stage of the 1988 plan, it was stated. The Politburo has approved the proposals of the FDGB National Executive for managing the socialist competition in 1988. Its goals are directly derived from our party's economic strategy.

At the start of 1988 the adopted measures for the application of the principle of self-generation come into force. This means the implementation of a far reaching step to increase the economic self-accountability of the combines on the firm basis of the plan.

The foremost task of our economic strategy, of linking the advantages of socialism even more effectively with the achievements of the scientific-technical revolution, played a major role in the work of the Politburo.

Nearly half of the GDR's research and development potential is concentrated, by means of the science and technology plans, on the priority solution of these important research tasks. As a result, numerous outstanding achievements of top international quality and great economic importance were attained.

Up to the end of November 1987, 2,441 tasks in the science and technology state plan were fulfilled, and 700 scientific-technical results were introduced in production. The results which thus show up favorably in the books in 1987, in terms of the growth of economic performance, include products and technologies with a production volume of 14.1 billion marks.

The Ninth Chamber of Technology Congress was an opportunity for the Central Committee to pay tribute to the voluntary social activity of this important democratic organization.

A more rapid production in line with demand of new products is an important untapped source for the required greater economic efficiency of science and technology. That top performances must result in top qualities is a firm part of this.

To this end, the Politburo endorsed proposals for the strengthening of the economic stimulation of quality production which is in line with high international standards. It will be even more worthwhile in future for the combines and enterprises to achieve high quality in the scientific-technical standard, in the use-value, in the working order, and in the product design.

So far this year, 41 billion marks has been invested in the production sphere. This is 7.7 percent more than in the same period last year. Significant production capacity has become operational. This includes the implementing of a 500-megawatt block at the Jaenschwalde power station, the manufacture of printed circuit boards at the Fernmeldewerk Nordhausen [Nordhausen Telecommunications Works], the production of silicon discs at the Micro-electronics Research Center in Dresden, the production of cutting machine tools at the "Union" Gera machine tool factory, of numerical controls at the VEB Numerik "Karl Marx" in Karl-Marx-Stadt.

The Politburo dealt critically with backlogs permitted in the implementation of investment by the Construction Ministry on 751 investment projects in industry. This also applies to backlogs caused in the industry minister's area of responsibility with regard to equipment and plant in economically important investment projects.

Winning time equally calls for strengthening the in-house production of rationalization equipment—a path which has so far progressed well, the report continues. The tasks ahead of us to increase the contribution of investment for the dynamic development of economic performance and efficiency make it necessary to strengthen the capacity of the industrial construction sector. The Politburo has decided on far-reaching measures for this.

The Politburo reached conclusions to secure the recruitment and training of skilled workers to strengthen the economy. Above all it is necessary, in line with the plan, to win over young people to professions in industry and the construction sector, to give them the knowledge and skill to master modern production, and to consolidate their love for their profession.

The Politburo decided on the necessary measures to ensure a secure provision of energy and fuels for the economy and the population in the 1987-88 winter half year. The Politburo stresses: No one has the right to claim more energy than is laid down with balances. It can be reported to the Central Committee that by the end of November, 954,000 tonnes of sifted coal, 2,578 gigawatt hours of electrical energy, 454 million cubic meters of town gas, and 60.3 million cubic meters of GDR natural gas were produced above the plan.

It is necessary to undertake efforts to ensure the complete stocking up of the economy and all other areas with solid fuelds, it is stressed.

In the period covered by the report, extensive work has been done determinedly to realize the agreements reached between Comrades Erich Honecker and Mikhail Gorbachev on the occasion of the summit of the Warsaw Pact states in Berlin for the development of a new stage in scientific and technological and economic cooperation between the GDR and the USSR. Cooperation is becoming an increasingly effective factor in the solution of national economic tasks faced by the two countries and in increasing the prosperity of the people.

On the basis of this, common paths have been marked out toward the improvement and development of cooperation in such important areas as microelectronics, robot technology, electrical engineering, nuclear energy, biotechnology, and the creation of new materials. It was agreed to instruct the planning organs of the two countries to prepare the coordination of the national economic plans for the period 1991-95. Today there are already over 100 government and ministerial agreements, directed at an intensified development and application of key technologies, and the introduction of top scientific and technological performances into production.

The Politburo dealt with the results of the conference held in Sofia in September of the economic secretaries of the Central Committees of communist and workers' parties of the CEMA member countries. The Politburo regards the resolutions of the 43d extraordinary CEMA session, which took place in Moscow in October, as an important contribution to developing the performance and efficiency of the economy in accordance with the demands of the comprehensive intensification of production.

In connection with the implementation of the 1987 economic plan and the preparation of the 1988 plan, the Politburo devoted great attention to foreign trade matters. By the end of November, an overall trade surplus had been achieved. Particularly going by what was learned at the successful Leipzig trade fair in the fall, the Politburo requested all the ministers and general directors of combines and foreign trade enterprises to create all the production and commercial conditions for a reliable fulfillment of export plans. This includes the supply of high quality hard currency-earning export products in the required quantities, and the conclusion of foreign trade contracts at the right time. This will continue to call for absolute adherence to delivery dates, flexible reactions to demands by customers, and a high standard of after-sales service and spare parts supply.

The Politburo stressed the importance of achieving, in the shortest possible time, the best results for the development of the economy and thus for a significant increase in national income. In this connection, direct relations between our combines and factories and their counterparts in the USSR are gaining in importance. These GDR combines and factories supply some 45 percent of exports to the USSR provided for in the economic plan.

A further expression of the deepening of cooperation in the solution of important economic tasks is the recently signed governmental agreement on GDR participation in the building of the Krivoy Rog mining and processing combine.

The Politburo has taken decisions aimed at the continuous implementation of the proven agricultural and alliance policy of our party, within the guidelines set out by the 11th party congress. Many important things were learned during their implementation.

The promise given at the 13th peasants' congress, with its unanimous commitment to the good and proven policy of the party and the undertaking to strive for the highest yields and output, was fulfilled with results of great economic significance. The harvesting of crops under conditions of constant rain, wet fields, and high humidity was an outstanding achievement. If in 1987 the stable grain production of the last 3 years is continued with a yield of 11.5 million tonnes, then that is also clear proof of the greater strength of the agricultural producer cooperatives and the state owned farms and their collaboration, as well as of a new quality of their work on the basis of comprehensive intensification.

Good results were also achieved in the harvest of root crops and in fall farmwork. The overall yield of potatoes, corn, and fodder is higher in the republic than last year. The provisional hectare yield figures show that the highest previous yields have been exceeded, with yields of 422.5 decitonnes of green and silo corn, and 268.1 decitonnes of potatoes. The yield per hectare of sugar beet is above the previous highest yield.

It is impossible to prevent bad weather having an effect on vegetable and fruit production yields, particularly on the types of tomatoes and cucumbers which need warmth and on apples, pears, and plums. Greater supplies of vegetables for the winter have been secured and adequate stocks are in store.

In animal husbandry, last year's good results were also repeated and produced along with an increase in the proportion of home-grown fodder. The yields per animal have continued to increase. Performances in the fattening of cattle and pig stocks increased most sharply. The piglets raised per sow also increased.

The capacities for slaughter, processing, and refridgeration are to an increased extent proving to be a priority in ensuring a steady rate of animal production this year. Their reequipping and expansion must be managed more resolutely. We have made good progress in agriculture by utilizing the best scientific findings and experiences. The key technologies are also being used more intensively. Until now 2,600 computers have been used for the control of soil and stock management, for production control, for monitoring in animal stalls, greenhouses, and silos, and for other tasks.

In line with the decision of the 13th Farming Congress the Politburo has adopted decisions for the perfection of management, planning, and economic accountability, and for stimulating performance in agriculture.

Great efforts were undertaken by workers in the forestry industry to supply the economy with timber and resin on a stable basis, to increase the efficiency of the forests, and to ensure their function in improving the soil. Further measures for the protection and revitalization of forests were successfully implemented this year. The Politburo also adopted comprehensive measures for

1988 which are aimed at a reduction in the damage to forests, which is at present evident in about 37 percent of the total forestry area. These include the cultivation of efficient and sturdy forest plants, varied reforestation measures, the intensification of forestry maintenance, and comprehensive forest protection measures.

The Politburo and Secretariat devoted great attention to the strengthening of the socialist state, the development of socialist democracy and certainty of the law, the report adds. A decisive hallmark of good local government policy is to fully utilize all regional capacities for the implementation of our eocnomic strategy. With the help of regional rationalization, the socialist teamwork between the local state organs, combines, enterprises, cooperatives, and institutions increasingly promotes local reserves.

Comparison of performance and assessment of the best experiences by local people's assemblies in the solution of the housing question in towns, and villages makes it clear that the greatest progress is made where there is success in the coordinated and integrated managing of housing construction, maintenance, modernization, the provision and organization of housing, and housing policy.

In the period under review, the GDR Council adopted decisions on a general amnesty on the occasion of the 38th anniversary of the founding of the GDR and on abolishing the death penalty. At the same time the State Council proposed to the People's Chamber that it should adopt a change and supplement to the law on the constitution of law courts. It provides for the formation of a great senate in the GDR'S Supreme Court. It offers the possibility of lodging an appeal against the decisions adopted in the first instance by the senates of that court in criminal cases. These decisions are an expression of the political stability of our workers' and peasants' state. Certainly of the law is an element of our socialist quality of life. At the same time the decisions adopted by the State Council point to the fact that crime prevention should continue to receive great attention.

In August the Politburo received a report from the GDR public prosecutor and the Interior Ministry for the implementation of the law on the serving of a prison sentence. The serving of sentences is firmly integrated in overall social efforts to reduce criminality. In line with our constitution, man is at the center of all efforts on the part of the socialist state. Our society respects man and his dignity even if he has been sentenced to prison. The humanist essence of our policy is decisive for the serving of prison sentences. The law applicable here has been tried and tested.

The enemies of socialism are undertaking great efforts to penetrate our society with antisocialist ideologies. In order to distract attention away from the signs of growing brutality and violence and the reemergence of fascist attitudes and provocations in the FRG and Berlin (West), they are at pains to urge individuals and groups in the GDR to undertake hooligan-type actions against the socialist state, sometimes using Nazi slogans.

In our state of workers and peasants, which embodies the legacy of the anti-fascist resistance, there is no place for such plans and activities. Rigorous action is taken against them in accordance with the law.

The level of our defense effort is determined by the level of the threat from NATO. This statement was made by Comrade Erich Honecker at the reception for the graduates of the military academies in the State Council building on 26 October. It was occasioned by the assessment of the military actions of the NATO states, including their maneuvers in the fall of this year. NATO tested its troops attack capabilities, especially in the central European area, on the borders of the GDR and the CSSR, and in the Baltic Sea. They practised elements of the direct preparation and surprise opening of a war, battles using conventional, chemical, and nuclear weapons, and making strikes deep into the hinterland of the Warsaw pact states. Attack units consisting of more than 500,000 men in total were concentrated in West Europe, preponderantly in the FRG.

The National People's Army and the defense and security forces are able and ready to protect peace at the foremost line of the socialist community of states. In accordance with the defensive nature of the Warsaw Pact's military doctrine, the soldiers, border guards, and civilians are giving everything to ensure that the approximate military-strategic balance is preserved at all times as a decisive factor for the prevention of a war. Just as reliably, members of the organs of the Interior Ministry, the State Security Ministry, the GDR Civil Defense and the Customs Administration, in accordance with the class task imposed by the 11th party congress, have ensured the security of our state and of public order.

The politburo decided on measures to celebrate the 70th anniversary of the Soviet Army and Navy, which we will be celebrating in February 1988 along with our Soviet comrades-in-arms.

The working class militia successfully completed the first phase of a 5-year training period.

The close connection between science and production has been developed since the 4th session of the Central Committee. In 1987, nearly 50,000 students completed their studies at the universities and vocational training establishments. For the first time all the graduates of technological and economic, as well as the majority of those from scientific departments, have basic knowledge and skills in using computers. A growing number of graduates have received a more advanced training in data processing techniques.

In 1987 more than 56,000 young people took up studies at a university or vocational training center. The most important thing for teachers and educators is to develop a political and ideological climate in which good work is recognized, problems are analyzed, and faults are addressed critically and quickly overcome. On 1 September of this year the new school year began for more than 2 million children. School reception celebrations for 233,100 new pupils—this is the biggest figure for years—are becoming a social highpoint, the report says. They reflected the families' care and that of our whole society for the welfare of the children, the recognition by parents and teachers that children can grow up safely iin our republic, and that every educational opportunity is open to them.

In the report period, our socialist art and culture was marked by two historic events: The 70th anniversary of the Great October Socialist Revolution and the 750th Berlin anniversary. With an unprecedented abundance of events and exhibitions, guest performances, and new works of art, high standards were set and lasting values established, which will also determine the future development of cultural life in our country.

The 10th GDR Art Exhibition, the report goes on to say, makes it clear once again how indispensible artistic discoveries are for socialist thinking and actions, for the shaping of aesthetic values, and for the promotion of a feeling of well being in our socialist society.

At the 3-day discussions of the 10th GDR Writers' Congress, which were marked by an open, controversial, and creative atmosphere, fundamental questions of our present time were spoken about. With great commitment the writers affirmed the great responsibility of literature for peace and socialism, and for the cultivation of people's thoughts and feelings in our society.

The international plenary meeting of the GDR Academy of Arts, in which corresponding members and representatives of academies from over 20 countries took part, was a stimulating exchange of views on the subject "arts and artists in our time," which contributed to mutual understanding on the tasks of art in the struggles for peace and progress.

The 750th anniversary of Berlin formed an impressive festival of peace, international understanding, and joy of life; an exhibition of socialism on German soil. Once again this year activities for disarmament and detente, for a policy of constructive dialogue, which were valued worldwide, emanated from Berlin. Impressively and powerfully, Berlin presented itself in its anniversary year as a political, economic, scientific, intellectual, and cultural center of the workers' and farmers' power. The anniversary program encompassed over 2,200 events, with over 700 national cultural events, over 350 exhibitions, over 200 congresses, conferences and meetings, and the international guest appearances of 467 artistic ensembles, conductors, and soloists from 44 countries. The national and international guest appearances and the theater, ballet, and concert events had 3.5 million visitors.

In the period covered by the report the Politburo once again commented on the protection of health and medical care of citizens and on the results and problems of medical research, such as the situation of and campaign against AIDS. In the GDR so far, quite isolated cases of this new infectious disease have occurred. The number of people infected is also small. Since 1986 a series of measures has come into effect which exclude the possibility of transferring the AIDS virus through stored blood or transplants. Scientific work directed at the development of vaccines and medicines to fight AIDS were started early. However, it is becoming increasing clear that this disease cannot be defeated by medical activities alone, all the more so as it is internationally assumed that an effective vaccine and preparations for the healing of AIDS are not yet available. For that reason the prevention of infection through corresponding behavior by the citizens is moving to the center of our strategy for combating AIDS. To this end, targeted instruction must be increased.

A decision taken by the Politburo in October is directed at increasing the effectiveness of medical research and at exhausting all preconditions and possibilities of bringing medical research in the GDR on a broader basis up to the international level and of sharing in setting that level in important areas more than to date. Now that the number of general practitioners has rapidly increased in the cities and industrial complexes, it is necessary everywhere to settle the necessary number of specialists in general medicine, to counter fluctuations in numbers, and so to achieve the essential personnel stability for work in general practise.

The deeds for the all-round strengthening of the GDR and for the preservation of peace speak for the close alliance of the members of the FDJ with our socialist fatherland. The politburo has confirmed conclusions for the promotion of scientific and technological creative work by young people. A meeting of members of youth brigades will take place in Zeitz in April 1988 to mark the 40th anniversary of the first young activists' congress.

The children's and youth exchange between the GDR and the Polish Peoples Republic ran successfully. In the past 5 years over 1.4 million boys and girls from the two countries have taken part.

The 8th Gymnastics and Sports Festival, and the 11th Children's and Youth Spartakiade of the GDR from 27 July to 2 August 1987 in Leipzig formed a social, sporting, and cultural climax in the life of our country. For millions of citizens in all age groups, the possibilities for active participation in sport have increased tangibly. The experiences gained in preparing for and holding the

Leipzig sports festivals offer diverse ideas for deploying in an even more stimulating way offerings as regards sport, games, and walking in every area, and in line with the different inclinations of citizens.

With their total of 62 gold, 59 silver, and 51 bronze medals, our top sportsmen and women once again achieved an outstanding result at the world and European championships in the summer sports in the period covered by this report. These results form a good foundation for the preparations for the winter and summer olympic games in 1988.

Following the successful course of the 12th Democratic Women's League Congress, imaginative work by the women's organization is unfolding in the residential areas of the towns and villages.

At Erich Honecker's meeting with the chairmen of the friendly parties and the president of the National Council on 16 November 1987, there was an agreement in stating that the all-round strengthening of the GDR and the broad unfolding of socialist democracy through the involvement of all citizens is and will remain the fundamental orientation of our alliance partners under the leadership of the party of the working class for the further shaping of the developed socialist democracy, the reports continues. The Democratic Peasants' Party of Germany, the Christian Democratic Union of Germany, the liberal Democratic party of germany, and the national Democratic Party of Germany have as a result of their party congresses held this year given rise to many new, valuable initiatives to the benefit of the GDR and its citizens. As before, the work of our alliance partners in all areas of social life receives attention and full support.

In the citizens' initiative "Beautify Our Towns and Communities—Join In," from the start of the year until 31 October alone, work worth 10.2 billion marks was carried out in maintaining living space, it is reported.

In realization of the domestic and foreign policy objectives decided by the 11th SED Congress, the Politburo and the Secretariat of the Central Committee have worked determinedly for an unceasing increase in the leading role of the party and taken decisions of principle aimed at the improvement of the work of the SED area and districts executives, it is noted.

In the implementation of the decision of the 11th SED Congress, the area executives, district executives, and basic organizations should now concentrate on the following tasks:

First: Equipped with good experiences of political leadership, the offensive by the ideas of socialism and peace must be unfolded to an even greater extent.

Second: A prime task of the executives of the party basic organizations consists in using effectively every working hour remaining until the end of the year and in mobilizing all working people for the fulfillment of every individual plan position.

Third: Under the leadership of the party executives, all material and technical conditions and management preconditions must be created for a consistent start to the 1988 plan.

Fourth: The militant programs of the basic organizations must be worked out in such a way that the contribution of labor collectives for the realization of the economic strategy of the party is clearly increased, the planned requirements of the national economy is fully covered, and the material and cultural requirements of the population satisfied even better.

November Economic Statistics Reported

AU101121 East Berlin NEUES DEUTSCHLAND in German
5-6 Dec 87 p 1

["High Work Achievements of the Working People in November: Economic Strategy of 11th Party Congress Is Implemented"]

[Text] Berlin (ADN)—The working people of all sectors of the GDR's national economy achieved high work performances for the further successful implementation of the decisions of the 11th party congress also in November. According to preliminary statistics data the produced national income rose 4 percent in November.

The output of industrial products rose 4.7 percent in November. The growth in industrial commodity output totals 3.6 percent since the onset of the year. Net output rose 6.1 percent and labor productivity increased 6.5 percent. Costs were reduced by 1 percent. Efforts everywhere are aimed at struggling to fulfill the targets of the 1987 national economic plan up the last day of the year. Particular efforts to this end are required in the sector of the minister of heavy machinery and equipment construction and of the minister of general machinery agricultural machinery, and vehicle construction, as well as in the sphere of the economic councils of Karl-Marx-Stadt, Leipzig, and Neubrandenburg Bezirke. The plan was not completely fulfilled in these sectors in November.

Steadily high results were achieved within the initiative "Return of Funds to the State—a Contribution to National Income." In November material and financial means totaling M554 million were returned by means of checks to the state bank by enterprises and combines. It would be possible to tap greater reserves if more enterprises and institution of social sectors were to participate in this initiative.

In consistent implementation of the economic strategy of the 11th SED Congress a high growth rate is being achieved in applying key technologies. Since the onset of the year 44,084 office, personal, and workplace computers were manufactured, this is 16,678 more apparatuses than in the same period last year. The increase in memory units for technical computer equipment totals 36,378 units compared with the same period last year and 32,676 units for printers. Up to the end of November 2,34O more robots were manufactured than in the same period last year. The output of optical fiber cables increased by 213 percent, that of technological special equipment for the manufacture of active semiconductor elements by 41 percent, and that of monolithically integrated circuits by 54 percent.

In November 13 new national economically important production facilities were put into operation to further reinforce the material technical base of the national economy. These include facilities for:

—the extraction of soft coal at the Reichwalde and Seese-East surface pit —the generation of electric power in gas turbine power plants at Zschornewitz and Thyrow —the production of sheet-fed offset presses at the Planeta Radebeul Polygraph printing machine works VEB

Particular significance is attached to compliance with completion deadlines at investment projects in the national economy.

Construction output rose 3 percent in the building industry. Net output rose 4 percent and labor productivity increased by 5.2 percent. In November 18,232 new apartments were built or modernized. As a result housing conditions improved for an additional 55,000 citizens. In November 965 places in nurseries, 1,116 places in kindergartens, 128 classrooms, and 11 school gymnasiums were completed. In industrial construction the plan as a whole was fulfilled up to the end of November. It is important to intensify the efforts to comply with the deadlines for the completion of all planned investment projects. This particularly applies to the Chemie Halle and Hoyerswerda Coal and power building and assembly combines.

The working people accomplished great achievements in transport to fulfill the transportation task in the national economy. Particular efforts are being made to implement the measures adopted to enhance the stability of the track system and to haul building materials, particularly cement.

In November the sowing of winter grain was completed and the targets were achieved. The monthly plan for the state procurement of animal products was fulfilled and exceeded. A total of 1.3 percent more cattle for slaughtering and 1.2 percent more eggs were procured.

Food supplies for the population were also ensured in a stable manner in November. Retail turnover was 4 percent higher than in the same month last year. Industry supplied 4.5 percent more consumer goods. The net monetary incomes of the populace rose 4 percent.

[Text] The following growth in net output and labor productivity as well as the following reduction in prime production costs per M100 commodity production were achieved in the individual sectors of industry by the end of November:

	net output in percent	labor productivity	reduction in prime production costs
coal and power ore mining	2.6	2.0	0.1
metallurgical and potash industry	9.0	9.4	2.1
chemical industry	1.9	2.7	0.0
electrical engineering, electronics	15.3	15.9	3.6
heavy machinery and installation construction	3.9	4.4	1.1
machine tools and processing machinery construction	9.8	10.4	2.0
general machinery, agricultural machinery, and vehicle construction	5.9	6.5	0.2
increase light industry	3.7	3.6	0.0
glass and ceramics industry	5.4	5.8	0.7
bezirk-managed industry and food industry	5.1	5.6	0.5
geology	11.2	10.1	2.4

The following growth of net output and of the output of finished products for the population as well as the following reduction in prime production costs per M100 commodity output were achieved:

	net output	finished products for the population	reduction in prime production costs in percent
capital of Berlin	9.5	4.5	1.2
Cottbus	8.1	3.3	1.2
Dresden	6.0	6.0	0.8
Erfurt	8.8	6.2	1.6
Frankfurt	3.5	3.4	0.5
Gera	8.9	5.3	1.2
Halle	8.0	1.6	1.0
Karl-Marx-Stadt	5.4	3.1	0.0
Leipzig	2.6	3.7	0.0
Magdeburg	10.3	5.3	1.6
Neubrandenburg	6.9	1.4	0.9
Potsdam	9.3	3.9	1.5
Rostock	1.5	3.0	0.3
Schwerin	8.4	6.5	1.6
Suhl	6.9	4.5	2.2

Attendance at Seoul Olympics Confirmed

*AU211216 Paris AFP in English
1215 GMT 21 Dec 87*

[Text] Budapest, Dec 21 (AFP)—Hungary has become the first Eastern Bloc country to agree to go to next year's Seoul Olympics - a decision which could dispell fears of a boycott over North Korea's demands to share the games.

More than 100 countries had already accepted invitations, issued by the International Olympic Committee in September, but the Hungarian National Olympic Committee's decision on Monday breaks the Eastern Bloc reluctance to commit itself before the Jan 17 deadline.

Romania was the only Eastern Bloc country to break ranks when the Soviet Union boycotted the 1984 Los Angeles Games following the United States-led boycott of the 1980 Moscow Games.

However, the Hungarian Olympic Commitee said it had not abandoned Pyongyang entirely.

In a statement, the committee said: "It continues to support any efforts that aim to stage the 1988 Summer Olympics jointly by South Korea and the Democratic People's Republic of Korea in a way acceptable for both sides."

The IOC issued invitations to 167 countries.

The Hungarian decision is a sure sign the rest of the Eastern Bloc will go to Seoul, sources here said.

East Germany, the world's leading sporting nation, and Poland will be the next to announce their decisions to compete in South Korea. Decisions by the Soviet Union and the rest of its allies will be delayed only because their National Olympic Committees meet at later dates, sources said.

Hungary, whose NOC voted unanimously to go to Seoul, will send a party of about 300 athletes and officials. Only five Hungarians are going to the Winter Games in Calgary, Canada, in February.

Cuba, traditionally strong at boxing, and Ethiopia, whose reservoir of great long distance runners seems to have temporarily dried up, appear to be the only doubtful entries for Seoul.

Both countries have been the most critical over the choice of Seoul for the 1988 Games.

Kadar Congratulates Czechoslovakia's Jakes

*LD171746 Budapest MTI in English
1706 GMT 17 Dec 87*

[Text] Budapest, December 17 (MTI)—Janos Kadar, general secretary of the Hungarian Socialist Workers' Party, has sent a telegram of congratulations to Milos Jakes on his election as general secretary of the Central Committee of the Czechoslovak Communist Party.

Budapest TV Evaluates Change

*LD172349 Budapest Television Service
in Hungarian 1830 GMT 17 Dec 87*

[From the "Newsreel" program; commentary by program chief editor Endre Aczel]

[Text] It is not necessary to stress that in the socialist countries it is of very great significance if a change of personnel takes place at the head of a ruling communist party. It is in accordance with this that one must evaluate the news coming out of Prague, even if the emphasis, from the nature of the matter, falls on continuity. For under our conditions a very serious power is centered in the hands of the general secretaries. Their personalities and styles can leave—and in general do leave—a direct mark on the development of the political and economic conditions of a given country.

However, I have thought it right to say all of this only by way of introduction. What I really have to say is that on this occasion the political and mainly economic environment in which the CPCZ has changed its leader is of vital importance. The country is ripe for reform, and even if in a very circumspect way, with very comfortable schedules, it nevertheless is advancing together with the main tide that determines the lives of the European—and not only European—socialist countries.

At the start of this year they proclaimed the program of economic and social transformation, and in precisely three years, with the addition of several stages, the full reform can get under way.

An explanation of the change is to be found partly in the compelling squeeze of deteriorating conditions and partly in the recognition of necessity. We know the syndrome. I would like to add my own opinion, to be more precise, my hope that Czechoslovakia, led by the new general secretary, will implement in a measured way the reforms determined by the CPCZ.

When I commented on this year's spring plenum of the Soviet party, which was of epochal significance, I said that I was speaking also about our country. I say it on this occasion too, because I believe it is by no means a matter of indifference to us how our northern neighbor goes ahead. The identity of our objectives and means, as well as the sameness of their functions, profit both of us. The

Hungarian reform is weaker without a Czechoslovak background, and it is certain, for me at least, that incentive operates in the reverse direction as well.

Superpower Summit Prompts Official Reaction

Assembly Adopts Stand

LD172335 Budapest MTI in English
2125 GMT 17 Dec 87

[Text] Budapest, December 17 (MTI)—Based on the report of Matyas Szuros, secretary of the Central Committee of the Hungarian Socialist Workers' Party and chairman of the Foreign Affairs Committee of the National Assembly, the Parliament adopted a stand on the Soviet-U.S. summit meeting held in Washington from December 7 to 10.

"The Hungarian National Assembly highly appreciates the results of the Soviet-American summit meeting in Washington. It is considered of historic importance that two categories of nuclear weapons are to be dismantled and abolished for the first time with joint determination. The National Assembly holds the view that the accord on the abolition of medium and shorter-range nuclear missiles and the principal agreement on the radial reduction of strategic offensive weapons mark an extremely important step towards disarmament and the creation of lasting security.

"The agreements reached at the summit meeting give reason for hope that mankind can get rid of the threat of nuclear weapons once and for all. At the same time, the jointly elaborated decisions offer a better opportunity for a major reduction of the conventional weaponry, other mass destructive devices and armed forces of the Warsaw Treaty and NATO. The Washington meeting, which opened a new chapter in Soviet-American relations, and the development of partner relations and cooperation between the two great powers promote constructive dialogue and the general development of East-West relations. The National Assembly, also on behalf of the Hungarian public, welcomes and supports the Soviet-U.S. agreements which serve well the fundamental interests of all peoples."

The National Assembly and the Hungarian parliament holds that the achieved results convincingly prove the correctness of the new Soviet foreign policy line and its flexible peace initiatives based on reality. It expresses the hope that the consistent efforts of the Soviet Union and the other socialist countries, which also reckon with the interests of the other party, will continue to meet with support among the realistically thinking political circles of the United States and its allies, as well as on part of the world's public opinion.

The Hungarian People's Republic continues to promote with all possible means the cause of arms limitation and disarmament, the creation of a world free of wars, the strengthening of good relationship and understanding between peoples and states, the advancement of the Helsinki process and the development of fruitful international relations. This conforms to the most essential interests of Hungary, and this may enable the Hungarian nation to build its present and future in peace and security.

Following, the deputies decided on the setting up of new committees, and then the session ended with interpellations, questions and the relevant replies.

Thereafter Istvan Sarlos closed the conference, the last event of the winter session of the Hungarian National Assembly.

Szuros Comments on Summit

AU161457 Budapest NEPSZABADSAG in Hungarian
12 Dec 87 p 5

[Interview with Matyas Szuros, secretary of the MSZMP Central Committee, by Andras Kanyo: "The Promise of the Future—Interview with Matyas Szuros, Secretary of the MSZMP Central Committee;" date and place not given]

[Text] The third summit meeting between Mikhail Gorbachev and Ronald Reagan was concluded in Washington on 10 December or according to Hungarian time, at dawn on 11 December. They signed a historic agreement to dismantle medium- and short-range missiles, took a large step toward further agreements, and held discussions on numerous international issues and on improving bilateral relations. Matyas Szuros, secretary of the MSZMP Central Committee in charge of foreign affairs, gave NEPSZABADSAG an interview on this significant event and its expected effects.

[Kanyo] First of all, I would like to inquire about your ideas concerning the summit and the agreement signed in Washington.

[Szuros] I believe that not only I, but also our party and the entire Hungarian people are happy that, as a result of so many years of hard struggle and the repeated Soviet initiatives and the readiness on both sides to negotiate, the first agreement in history to dismantle and eliminate two types of nuclear weapons—medium- and short-range missiles—has been concluded.

At the same time I—and many others might be doing the same—am thinking of the long road leading to Washington. And in examining historical interrelationships we should not forget the circumstances leading to the creation and—so far, luckily, the only—use of nuclear weapons.

[Kanyo] You are thinking of Hiroshima and Nagasaki.

[Szuros] Yes, and of the fact that since then we know—however unbelievable this might seem—that mankind can perish. And still, despite this, the production and perfection of these frightening, destructive weapons has been constantly continued for 4 decades. It is said that 50,000 nuclear warheads have been accumulated in the world, a quantity which can destroy our earth and all life on it several times over. Occasionally, it seemed that speaking about annihilation and the possibility of a disaster had become a routine matter and it sounded discouraging to say that nothing could be done against this possibility. But the struggle started nevertheless, and significant efforts have been made to attain peace and security. It would be impossible to mention all the stages of this long, devoted, and still ongoing struggle. Nevertheless, I would like to refer to several of its important chapters.

For example, the 22d CPSU Congress contributed significantly to improving international relations, and important disarmament initiatives were taken then and afterwards. Among these, I would mention the comprehensive Soviet disarmament proposal submitted to the UN General Assembly in 1959. This plan, the subsequent initiatives of the socialist countries, and the endeavors of others played quite a big part in making it possible to conclude the nuclear non-proliferation treaty [atomsorompo-szerzodes], regulate nuclear experiments, and finally conclude arms limitation agreements like SALT I and SALT II.

[Kanyo] In the meantime, however, there have also been sudden halts.

[Szuros] Speaking of sudden halts, I consider the 1962 Caribbean crisis—which erupted as a result of the planned deployment of Soviet missiles in Cuba and which brought mankind quite close to disaster—to be such a sudden halt. N. Khruschchev, the most prominent Soviet leader at the time, was on top of events, and John F. Kennedy proved to be a realistic statesman. Thus, through mutual efforts they averted the impending danger. But neither the arms race nor the endeavors to achieve superiority could be stopped.

[Kanyo] Naturally, there have been events that have undermined the illusion of achieving superiority and created a new perception of the danger threatening humanity.

[Szuros] I think that the explosion at the nuclear plant in Chernobyl, an explosion that had dramatic effects, and the tragedy of the Challenger belong here. These events must have made everybody realize that the dangers threatening mankind can only be defeated with united strength. This realization is reflected primarily in the change that has been taking place in the security policy of the two big powers. This realization is particularly demonstrated by the fact that, since April 1985, both the leaders of the CPSU and the Soviet Government have approached the solving of international problems and the issue of disarmament with increasing consistency and in a new manner. This new manner of thinking also induced the opponent to accept realities. The international atmosphere improved through the common efforts which were reflected in the Reykjavik and Geneva summits.

The disarmament agreement signed on the occasion of the present meeting and the entire course of the negotiations demonstrate a high degree of responsibility and realistic perception. The outlines of a new beginning and a change in the world and in international relations are developing before our eyes. There is a glimmer of hope that perhaps slowly it will become clear to everybody that, whatever man invents and creates, which then becomes harmful and threatens our existence, man can also eliminate.

[Kanyo] What enabled the recently signed agreement to be concluded?

[Szuros] The conclusion of the agreement is the result of the political will of the Soviet Union and the United States, and a credit to their present leaders. The outlines of the agreement were already formulated at the Geneva and the Reykjavik conferences. The renewal of Soviet foreign policy was the main driving force behind this process. A point of view based on the premise that the world's countries depend on each other, the continuous Soviet efforts based on the principle of logically sufficient security, and a high degree of flexibility and readiness to compromise all helped to overcome dead ends. In order to conclude an agreement, there was simultaneously a need for the U.S. leadership's rational consideration of things and for its intention to reach an agreement. I think that we should also take into consideration the international atmosphere—the spirit of Helsinki, among others things—which encouraged the two big powers to conclude the agreement. The small and medium-sized European countries, including Hungary—in proportion to its modest possibilities—took part in the formulation of this agreement.

[Kanyo] Where does the political importance of the disarmament agreement lie?

[Szuros] I am convinced that, from a political point of view, any agreement on arms limitation and disarmament, even the smallest progress, is significant because it brings us closer to a more peaceful and secure world.

The new quality of the present agreement lies in this being the first time it has been possible to reach an agreement on the actual elimination of nuclear weapons and, closely related to this, in this being the first time that a comprehensive system of mutual on-the-spot verification could be worked out in detail. All this proves that, when the appropriate political will exists, it is possible to settle conflicts that were previously considered irreconcilable. In other words, in a certain sense the agreement has reinstated the trust in political will. In order to safely implement the measures prescribed by the agreement and strengthen mutual trust, strict verification is indispensable . Only this can lead to further disarmament agreements. Increased trust, however, is an important condition for deepening the dialogue between the Soviet Union and the United States and, in a wider sense, between East and West, and to further improve the international atmosphere. I think that the long-term value of the present agreement lies primarily here.

[Kanyo] Does the agreement not endanger the safety of the Soviet Union and its allies?

[Szuros] When the Soviet Union had completed its share of the necessary tasks for the meeting, it gave tangible evidence of its new security policy perceptions. Starting from the premise of mutual dependence, the Soviet Union is prepared to maintain a military balance at the lowest possible level of arms and to reduce its armed forces to a rationally sufficient level. This is not some form of capitulation; the Soviet Union has made a concession to sane reason, not to the United States. With the completion of the first step, which is always difficult, we have proceeded a little closer toward creating a safe world that is free from nuclear weapons.

Hungary and the rest of the socialist world naturally support the Soviet endeavors, because our ally has proceeded in the spirit of a coordinated policy. The elimination of medium- and short-range missiles does not endanger our security, because the global balance of power has not changed. We are convinced, however, that the present agreement is only the first step on the road we have started to walk. In the Hungarian point of view, in order to really strengthen European security, it is necessary to continue along this path toward disarmament not only of nuclear but also of chemical weapons, toward reducing conventional arms and reformulating the military doctrine, too. [Kanyo] After all this can we say that glasnost will also emerge in security policy and in the military field?

[Szuros] I am convinced that social and international publicity will also intensify in security policy and in the military field in general, although it is certain that this can only be the result of a longer process. The Soviet-U.S. agreement reflects the realization that the number of issues which constitute military secrets in the relations between states is decreasing through the appearance of the most modern technological means and the formulation of effective verification procedures. And when secrecy decreases, trust, and with it, understanding increase. And these have proved to be better advisors than suspicion and fear.

However, there is no reason for euphoria. So far, we have completed only the first steps on the road to disarmament and arms limitation, and the military factor still has an important role in world politics. But if there is mutual willingness, it is possible, and also necessary, to proceed further along the road upon which we have started. Beginning with the premise of mutual security, and relying on increasing publicity within society, a realistic goal for us can be to filter out the irrational elements in the military area, and eliminate both the worship of military issues and the taboos which disturb the clear vision of politicians and of public opinion, taboos which occasionally also feed on bad traditions. In this way we can also promote the cause of arms limitation and free significant financial means for social purposes, apartment construction, and education.

[Kanyo] What do the soldiers think about these prospects?

[Szuros] As long as armies are needed, we cannot eliminate the armies in socialist countries either, and we cannot expect the specific military thinking to die out. Of course, there can be conflicts and debates between politicians and civilian leaders. But there is a consensus in Hungary—and, as far as I know, also in the Soviet Union—that in the long run we cannot progress toward fulfilling our civilian or military tasks without accelerating economic development and reorganizing the life of society. By increasing publicity, we are also endeavoring to facilitate a more open relationship between society and the army, and a more complete assertion of democracy. Our aim is to create a situation in which decisions that concern the fate of the people are preceeded by an even wider exchange of opinions, and in which the interests of the entire society are consistently asserted in the distribution of financial resources and in the coordination of economic and defense tasks. This is the policy of the MSZMP.

[Kanyo] In what respect does the agreement constitute a breakthrough in the process of arms limitation and disarmament?

[Szuros] However significant the double-zero option is, it stil constitutes only a hopeful beginning. Arms reduction concerns only about 3-4 percent of the nuclear weapons that have been accumulated in the world. Disarmament of medium- and short-range missiles, the planned reduction in strategic arms, and the intention to curb nuclear experiments bear the promise of curbing the threatening danger and of a safer future. Let us not forget, however, that the arms race is still going on in other areas. We cannot speak of genuine disarmament until we have changed, once and for all, the way of thinking that says: "If you want peace, prepare for war!" In order to achieve a real breakthrough, socialism and left-wing democratic forces have to become a real peace movement. Peace and security can be solidly built in the present world—and even more so in the future—on peaceful coexistence, cooperation, and a balance of interests.

[Kanyo] After the double-zero option, can we count on progress in other areas?

[Szuros] The recent three Soviet-U.S. summits have outlined the future of the disarmament process and its possible directions. The agreement in principle on eliminating 50 percent of the most devastating weapons, the strategic missiles, demonstrates that a global balance can also be established on a lower level. It would be very important to eliminate not only the obsolete missiles—though the effect of such a step would also be considerable—but also to limit really modern arms and future developments. This goal could be well served by totally prohibiting experimentation with nuclear weapons and eliminating chemical weapons.

While we in Hungary clearly recognize the importance of stabilizing the strategic balance at a lower level, we are naturally worried about reducing conventional troops and arms in Europe, because this is a close concern of ours. Several times we have proposed to significantly reduce the nuclear and conventional forces stationed in Europe, but we are also ready to discuss and compare military doctrines.

Quoting Mikhail Gorbachev, I would like once more to emphasize: "We can get out of the dangerous tension zone only through the efforts of all—small and large—countries." We Hungarians also consider this as our task.

[Kanyo] Thank you for the interview.

Soviet Article Analyzes Economic Reforms

LD170404 Budapest Domestic Service in Hungarian 1100 GMT 16 Dec 87

[Text] The Soviet press has carried another long article on Hungary. Jozsef Barath in Moscow reports on the LITERATURNAYA GAZETA report:

[Barath] When Hungary's reforms drew to a halt in the seventies the braking effect on neighboring socialist countries could also be detected. This is what LITERATURNAYA GAZETA writes, quoting Andras Knopp, deputy head of department of the MSZMP central committee. The author, Leonid (Bochivalov) is the first to publish the above statement in the Soviet press, although our country and the Hungarian reform has become a rather popular topic in Soviet weeklies. This report also eliminates the last taboos concerning Hungary that could still be felt in the press here.

The correspondent admits that a few years ago members of the Soviet intelligentsia enjoyed visiting Hungary to learn something of what they described among themselves as the Hungarian economic miracle, of which they wanted to adopt as much as possible.

It is characteristic of this era that a passage praising the Hungarian private entrepreneur was excised from a previous article by the author. According to the correspondent, there is still an unbelievable abundance of goods in Hungary. At the same time, people talk of the crisis that has appeared in the economy, in the material polarization of social strata, and in a confusion of values.

According to the LITERATURNAYA GAZETA article's author, Soviet people should take a thorough look at Hungary. It is worth thinking deeply about what they have seen and then look toward their own perhaps not-too-distant future. (Bochivalov) does what this country's official biographers of Bela Kun have not endeavored to do in their long articles, even in recent past. He writes that the first leader of Hungarian communists became a victim of arbitrary rule in the USSR. The author also cites, and agrees with, the opinion that the time has come to talk about Hungarian victims of the USSR's personality cult.

The correspondent conducted a public opinion poll on Budapest's Mayakovskiy Street. The questions dealt with who Mayakovskiy was. He concludes that not many know the poet, and ends the passage with the not quite approving opinion that the real original name of an old street in Pest had been taken away and rechristened to some unknown Russian name.

Our author has visited the Soviet Embassy in Budapest, where he was told of an occurrence, very typical of the early eighties, when the party secretary of an agricultural district practically denounced the country to the embassy, saying that the Hungarians had diverged from the socialist path and that the embassy should act. The district of the party secretary in question was not able to fulfill even half the plan, by the way. They could not even grow potatoes, which was a traditional crop in that region.

In the article, the author returns several times to his conversation with Andras Knopp. The deputy head of department of the party's central committee talked—as quoted by Leonid (Bochivalov) with some shock—not only about the crisis of Hungarian socialism, but about the crisis of socialism in general, about the loss of ideals in which the fact that the media of the fraternal countries have not told the truth about one another also played a part. The latter was, of course, exploited by the enemy.

At the end of his article, the reporter cites a meditation by Istvan Szerdahelyi, chief editor of the journal KRITIKA, in which he argues that the convergence theory may not be as stupid as we had earlier thought. The west had also adopted many things from us, and we also should learn something from them. LITERATURNAYA GAZETA briefly sums up what has been said and states that Hungarians understand that their government's stabilization program is today the only alternative. The last sentence of the article reads: Now is the time for questions and thoughts, and then it will be time for action.

Georgian Economic Delegation Visits

LD182343 Budapest MTI in English
1735 GMT 18 Dec 87

[Text] Budapest, December 18 (MTI)—The minutes of the Hungarian-Georgian economic talks, which ended in Budapest Friday, were signed by Ferenc Bartha, undersecretary of state at the Ministry of Trade, and Otar Lolashvili, first deputy chairman of the State Planning Committee of the Soviet Socialist Republic of Georgia.

The meeting was held according to the decisions reached at the 1985 talks in Tbilisi and in line with the long-term development scheme of Hungarian-Soviet economic, technical and scientific cooperation for the period up to 2000. During discussions on the further development of direct cooperation between Hungarian and Georgian Ministries and national authorities, it was stated that cooperation so far has contributed to the intensification of Hungarian-Soviet economic, technical and scientific relations and promoted the fulfillment of reciprocal goods exchange commitments. The talks reflected common interest in a number of areas of economic, technical and scientific cooperation, and resulted in decisions on furthering reciprocal trade deliveries between Hungary and Georgia.

The head of the Georgian Government delegation met Jozsef Marjai, deputy chairman of the Council of Ministers, minister of trade, and Imre Kovacs, head of the Economic Policy department of the Central Committee of the Hungarian Socialist Workers' Party.

Leaders' Public Appearances 10-14 December

AU181456 [Editorial Report] Budapest NEPSZABADSAG in Hungarian of 12 December and MAGYAR HIRLAP from 11-15 December report on the public appearances of the following leaders between 10-14 December (source, date, and page number of each report is given in parentheses):

Karoly Grosz, chairman of the Council of Ministers and member of the MSZMP Politburo; and Istvan Horvath, deputy chairman of the Council of Ministers, attended a conference of council chairmen in the Parliament on 11 December. (NEPSZABADSAG 12 Dec p 7)

Gyorgy Lazar, deputy general secretary of the MSZMP, visited the 21st district of Budapest on 10 December. (MAGYAR HIRLAP 11 Dec p 6)

Istvan Horvath, deputy chairman of the Council of Ministers, received a delegation of the office and Secretariat of the Presidium of the Supreme Soviet of the USSR; date and place not given. (MAGYAR HIRLAP 14 Dec p 7)

Judit Csehak, deputy chairman of the Council of Ministers and member of the MSZMP Politburo, paid a visit to Baranya County on 14 December. (MAGYAR HIRLAP 15 Dec p 7)

Janos Berecz, member of the MSZMP Politburo and secretary of the MSZMP Central Committee, paid a visit to the Hungarian Television on 10 December. (MAGYAR HIRLAP 11 Dec p 6) He also attended a session of the Bacs-Kiskun County MSZMP Committee in Kecskemet on 11 December. (NEPSZABADSAG 12 Dec p 7)

Istvan Szabo, member of the MSZMP Politburo and chairman of the Agricultural Cooperatives National Council, paid a visit to Szabolcs-Szatmar County on 10 December. (MAGYAR HIRLAP 11 Dec p 6)

Matyas Szuros, secretary of the MSZMP Central Committee, received Lee Dlugin, member of the CPUSA Politburo and the party's secretary for foreign affairs; date and place not given. (Budapest MAGYAR HIRLAP 11 Dec p 6)

Janos Lukacs, secretary of the MSZMP Central Committee, attended a session of the Hajdu-Bihar County Council in Debrecen; date not given. (MAGYAR HIRLAP 11 Dec p 6) He also attended a session of the Szolnok County MSZMP Committee in Szolnok on 11 December. (NEPSZABADSAG 12 Dec p 7)

Husak's Resignation Ends 'Period in History'

LD181557 Warsaw PAP in English
1145 GMT 18 Dec 87

[Quotation marks as received]

[Text] Warsaw, Dec. 18—TRYBUNA LUDU's Prague correspondent wrote today that "the new general secretary of the Communist Party of Czechoslovakia Milosz Jakes made it clear in his first speech as party leader that this personal change did not mean changes in the party's policy. This policy will continue to have its basis in the resolutions of the 17th congress, the course for reconstruction of the economic mechanisms, further democratization of the country's life. It was a firm declaration of continuation.

"At the same time, however, independently of all circumstances, the resignation submitted by Gustav Husak and accepted by the Central Committee will be universally recognized as the closing of a certain important period in the history of the Communist Party of Czechoslovakia," the correspondent said.

"It had started nearly twenty years ago at a time of a sharp political crisis, on April 17, 1969. A CPCZ plenary meeting had elected Gustav Husak as general secretary of the party. Under his leadership the party extricated Czechoslovakia out of the crisis giving that country stable development in subsequent years, reinforcing its economic and political position, and securing high living standards for the nation."

"Also under his leadership the party developed a programme of changes adopted by the 17th congress and now being put into practice. The programme's aims are a response to new external and internal conditions, to the challenge of the contemporary world and growing social needs. Gustav Husak, who turns 75 in three weeks from now, has decided that the implementation of the adopted goals requires so much energy that he can no longer hold two functions: the state president and party general secretary.

"He therefore handed over his party post in an atmosphere of high recognition to his attitude and activities, which has been reflected in a special resolution of the Central Committee."

Solidarity Call To Join 'Official Bodies'

AU191710 Paris AFP in English
1620 GMT 19 Dec 87

[Text] Warsaw, Dec 19 (AFP)—The regional branch here of Poland's banned Solidarity trade union, in a statement released here Saturday, called for the first time on its militants to join local official bodies which they have previously boycotted.

(Pope John Paul II meanwhile warned Polish authorities against imposing policies that were unacceptable to the people, apparently referring to the population's rejection of the reforms in a November 29 referendum.)

Solidarity has consistently rejected the reforms, which are designed to streamline management and introduce private enterprise. But despite a referendum vote against the reforms, authorities have said they will go through with the program.

The union document was issued by Solidarity's Regional Executive Committee (RKW) in Warsaw and dated December 13, sixth anniversary of the imposition of martial law in Poland.

It said the union was "weakened and divided" by its confrontations with the Polish Government. It was necessary for Solidarity to become "an authentic force capable of exercising influence on the situation" in Poland.

RKW called on union members and militants to take part in local assemblies, such as town councils, which are to be named next year in the drive to implement the reforms.

Solidarity has previously boycotted existing local bodies.

It said in the statement that economic associations should be formed to stimulate private initiative, along with debate clubs and other bodies likely to speed up the country's economic restructuring.

The statement also urged the setting up of an "anti-crisis pact" uniting "all social forces willing to define a new social consensus."

In the Vatican City meanwhile, the pope told a visiting group of Polish bishops led by Jozef Cardinal Glemp, "No one can replace society or substitute for it in taking decisions concerning it."

The pontiff said that if someone sought to push through something that was in total contradiction with individual conscience, he would "end up understanding that such an action is harmful to society as well as to him."

Walesa Interviewed on Changes

AU171342 Sofia OTECHESTVEN FRONT in Bulgarian
4 Dec 87 p 7

[Report on visit by OTECHESTVEN FRONT correspondent Kalin Todorov to Gdansk, including summary of interview with Lech Walesa: "History Teaches Lessons in Gdansk"—date of interview not given]

[Text] Warsaw, our special correspondent Kalin Todorov—In fact, we left Warsaw at 6 o'clock, and are already in Gdansk. I open the program that our hosts from the daily ZYCIE WARSZAWY have drawn up for me: 1500 hours—Gdansk, Gdynia, Sopot. Something seems strange here. How then will we be at one and the same time in Gdansk, Gdynia, and Sopot? The entry "Gdynia" suddenly interrupts my fruitless musings, and I finally realize that the three towns have grown so much that in practice they have become one mighty city, called "Tripolis" by the Poles. It is a typical journalist's disease, one which attacks me in a very acute form, to inevitably look for symbols in common or garden facts, to "clothe" simple things in complex visual images. All the same, however, it seems to me that this drawing together, this merging of the three towns is very reminiscent of the processes that are now taking place in Polish society. After living through a crisis, the Polish people are consolidating themselves with more and more confidence—this is also the categorical view of Edward Szymanski, member of the PZPR and deputy chairman of the Sejm Special Commission on Issues of Reorganization of the State Apparatus, as well as of Kazimierz Morawski, chairman of the Christian Social Association, and Tomasz Bartosiewicz, a RZECZPOSPOLITA correspondent. This is also proven by the mass participation in the referendum.

Our Polonez car stopped in front of a supermarket. My colleague from ZYCIE WARSZAWY wants to get some fish for his wife, for we are indeed on the coast, and I decide to go in with him. So this is the material base of unity—everything is here. However, a single store, however well stocked, can hardly form the subject for a dispatch, so I go and wait outside. Grunwald Street. From where do I remember this name? Oh yes, of course, surely the headquarters of "Solidarity" used to be here? Do you remember "Solidarity"?

...Strategic errors accumulate over a period of years. The workers' fury erupted among the shipbuilders of Gdansk. An elemental movement seized hold of the coast. From the turbid waves of discontent, antisocial structures float to the surface. Behind the leaders of "Solidarity" stand the self-styled ideologists of the KOS-KOR [Social Self-Defense Committee]. The subversive Western radio stations fan the flames to red heat....

It is good that all this has been left behind somewhere in history. But is this true? Let us check. Maybe someone will tell me where the headquarters of "Solidarity" was located. I walk along Grunwald street and stop passerby after passerby. A pretty girl looks at me with perplexed blue eyes; the members of a young family shake their heads; a little old lady says that perhaps she remembers something, but no; a worker, an electrical technician from the shipyard, recalls something, but can't say exactly, and so on, and so forth. Finally a colleague from INTERPRESS helps me, but I don't include him in my survey, because he was covering the events at the time.

At last we are at No. 103 Grunwald street. A massive, square, four-storey building, surrounded by wide terraces with black metal parapets. Inside, I ask the young girls from the Shipyards' Youth Club, and outside, the smiling shopgirl in the "Sosonka" flower shop. All in vain. The past has left no trace. Very well, but after I have talked to workers, intellectuals, and church figures, who will give me an answer to the final question: Is there an opposition in Poland? Maybe I should ask Walesa, who started out as a workers' leader, but very eagerly began to lend his ear to the advice of "theoreticians" like Jacek Kuron and Adam Michnik.

Now "Solidarity" no longer exists, and Walesa in practice represents nobody. But it might be interesting for us to learn his own opinion about the changes in Poland. Only, how to go about it? My 10 years of experience as a reporter has taught me that the more complicated an assignment seems, the more simply one should approach it. After long efforts by a kind girl from the Gdansk "144" [name as published] I finally have Walesa's number. At first he refused, but it seems that he was affected by the words that evidently he prefers Western journalists (and I have not invented this), and finally agreed to an interview. Next morning a car picked me up at 9.30 prompt from the Shipbuilders' Square, and 5 minutes later, driving at top speed, dropped me in front of the St. Brigita Church. Only 2 minutes later I was sitting at the table in the priest's lounge, with a cup of coffee, opposite Lech Walesa and three unknown persons with inscrutable faces. Walesa had light-coloured hair and a red moustache, he was slightly plump, and had grown bald since those years.

I switch on my reporter's tape recorder. My future interviewee also switches on a tape recorder, with the reservation that no one (?!) will permit me to publish the interview, and even if it does appear, then his words will certainly be distorted. Good, let us make a start, by first warning Mr Walesa that we will print only part of the conversation, though naturally the most important part (in the final event, the length of the report depends both on the space available in the paper and on the importance of those involved in the interview!).

Walesa considers that the economic reforms proposed by the government are good, and even in some cases go further than those that "Solidarity" insisted on. The only thing is that the effects of the reforms, in his view, will be felt very slowly, because "there is no true pluralism." Walesa cannot propose an economic program (as "Solidarity" formerly also failed to do), but considers that no system can be a good one without pluralism in three spheres: political, social, and economic.

"And what is the guarantee that in this situation Poland will remain a socialist country?" Here I will quote Walesa word for word, in order not to be accused later of twisting his words: "We are not interested in names, the name is not important. And who is to say that the air is socialist or capitalist?"

Despite the fact that the interview lasted 45 minutes, these are the theses defended by Walesa in summary form. I have always thought that a journalist's job is not to agree with or oppose his interviewees, but merely to assist them in expressing their viewpoint more lucidly. Now, however, I am tempted to respond to Walesa in the words of another Pole—the eminent social figure and publicist Andzhey Wasilewski, taken from this article in the journal NEVA.

"The history of modern civilization proves convincingly that it cannot exist without the help of the state and the latter's organized potential. And he who in this era of furious development is attempting to paralyze and destroy the state, is depriving the people of the only chance to stay on the surface of history. But history is not a department store in which you can freely choose whatever methods you like for the organization of the state. The opposition will never admit it, but, while proclaiming the achievements of highly industrialized societies, it is waging a furious struggle against the difficult birth of this society in our own country."

Only a few kilometers from St. Brigita Church lies Vesterplate. Six alarming memorial slabs (one for each day of the rising) and a single T-34 tank symbolize the first and last days of World War II. It is here that you discover, with a certain gloomy insight, that the map of Europe might have looked different, that it very easily might have been divided up differently. And it is certainly not a waste of time to take a stroll round Vesterplate occasionally.

So it seems that that is all. In fact, this was not so. As I was leaving St. Brigita, Walesa showed me his hands, to prove that he is a worker. At the Unitra television factories I saw a different worker. Thin, with a blue overall and a screwdriver in his pocket. He was not building political and economic platforms, not giving press conferences, nor holding meetings with journalists. He was simply working. And whistling quietly to himself. Perhaps something familiar. Oh yes: "Poland will never perish as long as we are alive."

Economic Reform Schedule Published

AU140601 Warsaw RZECZPOSPOLITA in Polish 23 Nov 87 pp 5, 6

["Action Schedule—Executive Program for the Second Stage of Economic Reform"]

[Text] The Government Press Bureau has sent us the complete schedule of "The Executive Program for the Second Stage of Economic Reform." The publication of this program will greatly facilitate the monitoring of the progress of reform.

The main outlines of this program were already published as a rider to the draft executive program that the government submitted to the Sejm (RZECZPOSPOLITA also published the program as a separate brochure and as an abridged report). But not all tasks were listed in both these publications.

Responding to the public interest in these issues, we publish below all the tasks listed in the schedule of the second stage of economic reform, and all the bodies and institutions responsible for realizing these tasks. We have taken into account the changes that have recently been made in the structure of the supreme and central bodies of the state administration.

The executive program is not a closed document. Both the Sejm debates and the results of public discussions in connection with the preparations for the reform referendum have made their impact on the selection, formulation, and proposed completion of tasks. This means that this program is a living document, one that actively matches the existing determining factors and needs.

(Tasks are listed under months and individual years; the agents responsible for their implementation are bracketed)

October 1987:

Changing the structure of the supreme and central bodies of the state administration (Office of the Council of Ministers).

Facilitating the granting of foreign trade concessions (minister for cooperation with foreign countries).

Limiting the range of official prices in foreign trade accounts, especially those with the second payments area, to staple farm and food articles (minister for cooperation with foreign countries).

Work to adapt the legal system to the principle that "whatever is not legally forbidden is allowed" (minister of justice, Office of the Council of Ministers, and central bodies of state administration).

Working out stable principles for tying wages in the area of the budget to wages in the area of material production, taking into account the evaluation of work (minister of labor and social policy; minister of finance).

Evaluating the system of material incentives for conserving raw and other materials and eventually extending this system to all units of the socialized economy (minister of domestic market).

Reviewing centralized funds in order to reduce their number (minister of finance).

Updating interest rates on turnover and investment credits (chairman of the Polish National Bank).

November 1987:

Legally increasing the independence of enterprises by curbing the powers of the founding bodies (Office of the Council of Ministers, in cooperation with the Third and 10th Teams of the Economic Reform Commission).

Defining changes in the scope and nature of the functions of the founding bodies (Office of the Council of Ministers).

Radically changing the number of state enterprises classified as enterprises of fundamental importance for the national economy (Office of the Council of Ministers).

Carrying out legal changes in order to increase the independence of cooperatives (Office of the Council of Ministers, in cooperation with the Economic Reform Commission).

Establishing concern-type forms of organizating the coal and energy industries (Office of the Council of Ministers).

Working out the principles of the fund for restructuring production, which will mainly be used to ensure the profitability of export production affected by structural changes and of means of farm production (minister of cooperation with foreign countries; the chairman of the Planning Commission; and minister of finance).

Carrying out changes in the performance of the local bodies of state administration with a view to simplifying the procedures governing relations between state officials and citizens (Office of the Council of Ministers, in cooperation with Party-Government Commissions for Reviewing and Modernizing Organizational Structures in the Economy and State).

Streamlining the principles of obtaining resources for wages in material production in 1988 (chairman of the Planning Commission; minister of labor and social policy).

Removing the General Savings Bank from the system of the Polish National Bank (chairman of the Polish National Bank).

Waiving restrictions on the foreign trade units' powers with regard to export (except for goods that are of fundamental importance for the national economy; the list of these goods should be reduced) (minister for economic cooperation with foreign countries).

Organizational measures at the beginning of 1988 to ensure the complete implementation of the law on countering monopolist practices (minister of finance).

Reducing the 1988 Central Annual Plan's list of materials and products covered by government orders (this also applies to the Central Annual Plans in the coming years) (chairman of the Planning Commission and minister of domestic market).

Working out principles of eliminating the central administration of the trade in farm and food articles, and means of farm production (minister of domestic market, minister of agriculture, forestry, and food economy).

Working out the principles of sorting out the meat market and abolishing meat rationing (minister of domestic market; and minister of agriculture, forestry, and food economy).

Streamlining the procedures for launching investments and construction-assembly services covered by government orders (chairman of the Planning Commission).

Verifying the principles and deadlines for payments of taxes and other dues to the budget in order to ensure greater regularity of budget incomes in line with the budget income timetable (minister of finance).

Principles of a new fares policy in public transportation (for freight and passengers) (minister of transportation, navigation, and communications).

Verifying principles in line with which investments financed from the budget are realized (chairman of the Planning Commission, in cooperation with minister of finance, other ministers concerned, and voivodas).

Working out principles of further currency policy aimed at achieving the convertibility of the zloty (minister of finance; chairman of the Polish National Bank; and minister of economic cooperation with foreign countries).

Implementing the principles of the performance of enterprises that have an infrastructural importance for the economy (Office of the Council of Ministers).

Preparing draft modifications to the law on prices in order to abandon the costly price formula and to give up regulated prices (minister of finance).

Drawing up the program for curbing subsidies, especially subsidies on the production of basic raw materials, fuels, and energy (minister of finance).

Verifying principles of allotting funds for premiums for material production (minister of labor and social policy).

December 1987:

Creating opportunities for dividing an enterprise, if this is necessary for reasons of effectiveness (Office of the Council of Ministers).

Devising solutions to expedite development of cottage industries (chairman of the Planning Commission; minister of finance; and minister of domestic market).

Drawing up the program for restricting the import that is centrally financed and for trimming its organization; expanding the range of enterprises' hard-currency self-financing in 1988-90 (chairman of the Planning Commission; minister for economic cooperation with foreign countries; minister of industry, and minister of finance).

Employing qualifying criteria and effectiveness requirements for central investments and defining economic and legal responsibility when launching these investments (chairman of the Planning Commission).

Streamlining the system of assessing and supplying the national economy with raw and other materials (chairman of the Planning Commission; minister of domestic market).

Creating conditions for the development of commission agent's services and for simplifying these activities (chairman of the Planning Commission; minister of finance; and minister of domestic market).

Working out principles with which to achieve, in 2-3 years, the balance of market prices for farm and food products and for farm services (minister of finance; chairman of the Planning Commission; minister of agriculture, forestry, and food economy; and the National Union of Agricultural Circles and Organizations).

Making more flexible the principles of the performance of foreign enterprises engaging in small-scale production (government plenipotentiary for foreign enterprises engaging in small-scale production; minister for economic cooperation with foreign countries; and minister of justice).

Working out principles aimed at expanding powers to issue and purchase bonds (minister of finance; chairman of the Polish National Bank).

Laying down principles of contracting foreign loans (minister of finance; minister of economic cooperation with foreign countries; and chairman of the Polish National Bank).

Amending the law on construction; this amendment will include a new definition of the organization and performance of state bodies responsible for construction supervision and a new definition of supervising activities by sponsors of construction (minister of land use management and construction; Office of the Council of Ministers). Preparing institutional solutions for comprehensive negotiations on prices for farm production means, for farm produce, and for food articles (minister of finance; minister of agriculture, forestry, and food economy).

Introducing summary changes in labor in order to raise labor effectiveness, to rationalize employment, and to increase job efficiency (minister of labor and social policy).

Drawing up principles for the functioning of companies with foreign participation in order to make such companies more attractive for foreign capital holders (minister of economic cooperation with foreign countries; and minister of justice).

Defining the functions and tasks of the Polish National Bank as the state's central bank in the new system for the functioning of the economy (chairman of the Polish National Bank).

Working out measures to sort out the position of the budget vis-a-vis the credit plan (minister of finance; chairman of the Polish National Bank).

Working out draft changes in the system of wages, in taxation obligations, and in the fiscal economy in enterprises producing art and cultural objects; these changes should improve these enterprises' performances (minister of culture and art; minister of finance; and minister of labor and social policy, in cooperation with the 13th Team of the Economic Reform Commission).

Eliminating shortcomings of the current procedures by which the retained hard-currency earnings allowances are calculated (minister for economic cooperation with foreign countries; and minister of finance).

Authorizing the socialized economy units to freely sell their surplus, rationed raw and other materials (minister of domestic market).

Drawing up preliminary measures seeking to introduce the full amount of agricultural taxation, as laid down by the law on agricultural taxation (minister of finance; minister of justice; and minister of agriculture, forestry, and food economy).

Working out draft amendments to the law on the principles in line with which the wage systems in enterprises are created; these amendments are meant to link the size of wages more closely to the fiscal situation of enterprises and to simplify the appropriate procedures (minister of labor and social policy).

Drawing up measures aimed at eliminating the branch countervailing accounts in farm produce processing (minister of finance; minister of agriculture, forestry, and food economy).

Bringing currency rates to a level that is able to ensure the profitability of export to each payment area (chairman of the Polish National Bank; minister for economic cooperation with foreign countries; and minister of finance).

Transferring foreign currency from the Trade Bank to banks which operate foreign currency accounts, introducing flexible rules and conditions governing the use of foreign currency to pay for export-oriented undertakings (chairman of the Polish National Bank; minister of finance; and minister of economic cooperation with foreign countries).

Exempting wholesale trade outlets that sell production resources from supervision by the parent bodies of producers (minister of domestic market).

Introducing a new system of licensing shipments of goods (minister of economic cooperation with foreign countries).

Improving the system of assessing wages as a way of adjusting wage proportions in the state economy (minister of labor and social policy).

Working out principles designed to restructure the system of subsidies in the food economy (minister of finance; minister of agriculture, forestry, and food industry).

Working out rules governing the flow of money and credits to the extent necessary to maintain equilibrium and in order to ban credits that exceed the limits of economic viability (chairman of the Polish National Bank).

Working out rules governing the establishment of a specialized bank or other financial institution responsible for innovation (chairman of the Polish National Bank; head of the Office of Advancement and Application of Science and Technology).

Amending the General Conditions for Settling Accounts for Investments, including those conditions that deal with the system of settling accounts for current investment work and the punctual completion of investment tasks (minister of land use management and construction).

Working out rules designed to accelerate changes in private agriculture (minister of agriculture, forestry, and food industry; minister of justice).

Introducing a stabilized system of credits for agriculture, forestry, and the food economy (chairman of the Polish National Bank; minister of agriculture, forestry, and food industry).

Introducing reviews and analyses of the legal rules governing the use of fixed assets, and formulating conclusions in order to cancel or alter existing rules or introduce new ones (minister of industry, in cooperation with other relevant ministers).

January 1988:

Creating conditions designed to boost the motivation of managerial cadres by means of wage incentives, alter the rules governing the post of manager, and encourage further training for managerial cadres (Office of the Council of Ministers).

Encouraging the hiring out of unused manpower and production resources in the state economy (Office of the Council of Ministers, minister of finance).

Creating reserves in order to guarantee equilibrium concerning supplies of commodities (chairman of the Planning Commission; minister of domestic market).

Examining the possibilities of cutting down on the investment program (Economic Reform Commission; chairman of the Planning Commission).

Permitting closer cooperation with the socialist countries and direct cooperation between CEMA enterprises (chairman of the Planning Commission; minister of economic cooperation with foreign countries).

Introducing economic incentives to guarantee supplies to units performing particularly important socioeconomic tasks (chairman of the Planning Commission; minister of industry; minister of finance).

Imposing income tax on nonagricultural activity by state and private economic units (minister of finance).

Adjusting the Polish National Bank principles governing the repayment of debts (minister of finance).

Adjusting the official prices of imported materials in line with the prices of imports from convertible currency markets (minister of finance; minister of economic cooperation with foreign countries).

Altering the methods of establishing prices in construction, abandoning controlled prices in this sphere, and changing over to contractual prices (minister of finance; minister of land use management and construction).

Introducing a levy to compensate for environmental damage caused by the manufacture of certain goods and provision of certain services which have a negative effect on the environment (minister of environmental protection and natural resources; minister of finance).

Organizing a state system of quality control involving higher standards, and assuring essential working conditions for quality control bodies (Standardization of Weights and Measures Committee; Office of Scientific-Technological Progress and Inventions; minister of domestic market).

Introducing new rules governing foreign currency grants (adopting a uniform sum for the same group of commodities and making it dependent on the level of exports) (minister of economic cooperation with foreign countries).

Improving the procedure for forming and registering companies based on foreign capital (minister of economic cooperation with foreign countries).

Abandoning the restrictions on the powers of foreign trade units to conduct exports (except in the case of goods of fundamental importance to the national economy). (minister of economic cooperation with foreign countries).

Setting up agencies to deal with the purchase and sale of clearing certificates (chairman of the Polish National Bank; minister of economic cooperation with foreign countries).

Adapting the legal rules governing the exchange of production resources to the current rules governing management of the national economy (minister of domestic market).

Creating uniform conditions for the functioning of the national goods exchange market (minister of domestic market).

Examining the state of partnerlike relations between workers self-management bodies on the one hand and managers on the other, and drawing essential conclusions (minister of wages and social policy, in cooperation with the Self-Government Studies Center and the Sejm Self-Government Affairs Commission).

Establishing an index of the lowest wages that can be offset with compensation paid for price increases (minister of labor and social policy).

Establishing better conditions for old-age and invalidity pensioners and infirm persons to resume employment (minister of labor and social policy).

Forming teams of legal advisers independent of enterprises and formulating a draft amendment to the law governing legal advisers (minister of justice).

Creating ways for the Polish National Bank to influence commercial banks so that the banking system conforms to the financial and credit policy and the credit plan (chairman of the Polish National Bank).

Introducing new principles governing credits for housing construction (chairman of the Polish National Bank; minister of land use management and construction).

Changing the functioning and financing of physical culture, tourism, and recreation, and making this activity self-financing (chairman of the Committee of Youth and Physical Culture; minister of finance).

February 1988:

Reviewing the rules governing the acquisition and preparation of sites for investments (minister of land use management and construction; chairman of the Planning Commission).

Working out changes to the category of costs (minister of finance).

Working out model solutions concerning the cost-effectiveness analyses of enterprises, thus permitting their genuine self-management by making it possible for them to make better use of organizational work methods (minister of finance; minister of labor and social policy).

Establishing limits to the amount of funds payable for medical care, culture, and recreation, whereby those using these services will pay part of the costs themselves; restricting privileges concerning the free use of these services (minister of health and social welfare; minister of culture and art; and minister of finance, in cooperation with the 13th team of the Economic Reform Commission).

Assessing the financial situation of enterprises whose activity has been under commissarial management for over 3 years (parent bodies of enterprises, in concert with fiscal offices and branches of the Polish National Bank).

March 1988:

Increasing society's participation in the appointment of persons to occupy managerial posts in local state administrative bodies (Office of the Council of Ministers; and State Council Chancellery).

Working out and implementing rules governing trade, catering, service, and small-scale production companies shared by state units, which provide the fixed assets, and private persons, who contribute their own work and funds (Office of the Council of Ministers; minister of domestic market, in cooperation with the Economic Reform Commission).

Working out proposals on how to form unions of enterprises (concerns) that permit a faster development of selected branches of the economy (Office of the Council of Ministers).

Working out rules to guarantee better material, cadre, and organizational resources for local state administrative bodies in connection with their new tasks (Office of the Council of Ministers; Planning Commission).

Permitting the full implementation of local initiatives and social pledges, paid for out of local budgets (minister of finance; Planning Commission, in cooperation with the State Council Chancellery).

Consolidating the position of cities and rural districts as economic bodies and primary territorial units (Office of the Council of Ministers, in cooperation with State Council Chancellery and the Ninth Team of the Economic Reform Commission).

Expanding the legal, organizational, and financial independence of local self-governments (Office of the Council of Ministers, in cooperation with the State Council Chancellery and the Ninth Team of the Economic Reform Commission).

Creating permanent new solutions governing payments to the budgets of people's councils in order to safeguard their financial independence (Office of the Council of Ministers, in cooperation with State Council Chancellery and the Ninth Team of the Economic Reform Commission).

Adapting the economic-legal forms of activity by units that provide social services to the experience gained by enterprises, so that such units may be more efficient (minister of finance; Office of the Council of Ministers, in cooperation with the Party-Government Commission for Reviewing and Modernizing Organizational Structures in the Economy, and in cooperation with the 13th Team of the Economic Reform Commission).

Facilitating the undertaking of economic activity (Office of the Council of Ministers; minister of justice, in cooperation with the 10th Team of the Economic Reform Commission).

Reducing the list of materials and commodities covered by government orders for the year 1989 (chairman of the Planning Commission).

Formulating principles for the evaluation of domestic and foreign experience, and using such experience to create conditions for the further development of various collective forms of labor organization in enterprises (brigades; partnership groups; quality and innovation groups; and groups to increase efficiency) (minister of labor and social policy, in cooperation with the Center for Self-Management Studies).

Improving to the system of branch benefits, with a view to effecting a transition from material to financial benefits. (minister of labor and social policy).

Introducing economic instruments that are designed to encourage the assumption of the role of general contractor (minister of land use management and construction).

Formulating draft measures designed to produce an improvement in health and safety conditions at work (minister of labor and social policy).

Changes in the organization and functioning of the health service and social welfare centers, with a view to raising standards in the provision of services (minister of health and social welfare, in cooperation with the 13th Team of the Economic Reform Commission).

Formulating principles for the introduction of measures designed to facilitate the realization of self-management at the plant level or in other enterprise organizational units (minister of labor and social policy; and minister of finance).

Modifications to the principles governing the operation of research and development units, including changes in their financial management (minister responsible for the Office of Advancement and Application of Science and Technology, in cooperation with the minister of finance).

Greater financial support for innovation activity in enterprises by way of integrating sources for the financing of scientific and technical progress during the entire innovation cycle (minister of finance, in cooperation with the minister responsible for the Office of Advancement and Application of Science and Technology).

Setting up supervisory councils for the six main supply agencies (the appropriate parent bodies).

Preparations for turning central supply units into joint enterprises (companies) involving the recipients of the services provided by these units (the appropriate parent bodies and central cooperative organs).

April 1988:

Changes in functions and principles concerning inspections of economic units and the establishment of criteria for evaluating them (the Office of the Council of Ministers; and central and main organs of the state administration).

Modifying the structure and organization of state control organs to meet the requirements of the new distribution of responsibility in the economy (the Office of the Council of Ministers; main and central organs of the state administration, in conjunction with the Supreme Chamber of Control).

Preparing and submitting for public consultation in 1988 the draft principles for an incentive system to generate resources for wages in the material production sphere (minister of labor and social policy; and minister of finance).

Allowing enterprises to choose the bank that provides them with finance (minister of finance; chairman of the Polish National Bank).

Creating conditions to facilitate the more efficient distribution of scientific cadres and the free movement of cadres between science and actual economic practice, and between individual departments of scientific organizations (minister of national education; minister responsible for the Office of Advancement and Application of Science and Technology; academic secretary of the Polish Academy of Sciences; minister of labor, wages, and social affairs).

Reviewing and radically simplifying the regulations concerning accounting and book-keeping procedures in units of the socialized economy (this particularly applies to small units), and examining the possibility of employing a tax assessment roll in these units (minister of finance; minister of domestic market, in cooperation with the Association of Polish Accountants).

Formulating principles for the operation of agencies that purchase sites for construction projects and that prepare such sites for actual construction work on an economically efficient basis and for the operation of agencies that provide investment services (minister of land use management and construction).

A review of current requirements concerning accounts, with a view to simplifying the present system (the president of the Main Statistical Office).

May 1988:

Drawing up a list of economic units that occupy a monopolistic position in the economy in the areas in which they operate (minister of finance; and ministers and directors of central institutions)

Establishing several banks that will operate on a commercial and competitive basis with regard to existing banks and each other, and in accordance with the principle of being self-financing (chairman ofthe Polish National Bank; and the Banks Council).

Ensuring that, within the framework of the banking system, conditions exist for the expansion of housing construction and the development of the communal economy (chairman of the Polish National Bank; minister of land use management and construction).

Formulating of principles for the reform of the system of social benefits (including insurance) to ensure that it operates more effectively by, inter alia, improving the socially justified distribution of benefits (minister of labor and social policy).

June 1988:

Introducing a system of working with state administrative cadres that covers, inter alia, training, the systematic evaluation of performance, and the assessment of qualifications (Office of the Council of Ministers).

Preparing plans for further structural changes (Office of the Council of Ministers).

Completing work on a draft law concerning the creation of legislation (minister of justice; Office of the Council of Ministers).

Examining the appropriateness of introducing a value added tax (minister of finance; and Planning Commission).

Creating a legal basis for establishing regional economic chambers (Planning Commission, in cooperation with the appropriate economic reform commissions).

Preparing a list of large enterprises composed of several plants that occupy a monopolistic position and should be split up into several smaller enterprises (minister of finance).

Introducing a new form of state treasury representation in foreign trade companies and establishing principles whereby state treasury shares in companies can be sold (minister of economic cooperation with foreign countries; minister of finance).

Preparing a draft taxation system for personal income and submitting it for public consultation (minister of labor and social policy).

Verifying and selecting tasks that come under the system for centrally directed programs for the development of science and technology (Committee for Science and Technological Advancement attached to the Council of Ministers).

Creating a comprehensive system of measures designed to increase the profitability of scientific and technological progress. (Committee for Scientific and Technical Progress attached to the Council of Ministers).

Reorganizing the system of commissions and fees in the supply network, with a view to eliminating unnecessary middlemen (minister of finance).

July 1988:

Verifying and reorganizing the regulations concerning employment and employment agencies (minister of labor and social policy).

September 1988:

Creating a state system for establishing and evaluating up-to-date nature of products, technology, and investment undertakings (chairman of the Standardization of Weights and Measures Committee; chairman of the Planning Commission).

Formulating a draft law concerning companies (minister of justice, in cooperation with the Commission for the Reform of Civil Law).

December 1988:

Introducing a customs tariff that will satisfy needs stemming from the reorganization of production and GATT requirements (minister of economic cooperation with foreign countries).

Reviewing ministry regulations designed to reduce the number of acts that set norms and to modify them so that they suit the new structure of central state administrative organs (minister of justice, in agreement with central state administrative organs).

Developing ways of integrating science, technology, and production and ways of organizing science and technology (minister responsible for the Office of Advancement and Application of Science, and parent bodies).

Transforming sales offices into joint enterprises or companies composed of groups of producers and suppliers to which these enterprises provide services (appropriate parent organs and central cooperative organs).

January 1989:

Preparating new legal regulations permitting the introduction of communally-owned property (Office of the Council of Ministers; minister of finance, in cooperation with the Chancellery of the State Council and the Ninth Team of the Economic Reform Commission).

Simplifying the principles by which and the way in which units fulfilling government orders purchase foreign currency (chairman of the Planning Commission).

Finally eliminating the operational programs (chairman of the Planning Commission).

Transforming the central annual plan into an integrated financial and material plan (minister of finance; chairman of the Planning Commission; and chairman of the Polish National Bank).

Establishing an economic judiciary in the form of a system of organs that will resolve disputes in the economy (minister of justice; State Economic Arbitration; Office of the Council of Ministers, in cooperation with the Commission for the Reform of Civil Law).

Preparing legal and organizational conditions for establishing intercommunal institutions and associations (associations composed of towns and communes) (Office of the Council of Ministers, in cooperation with the Chancellery of the State Council and the Ninth Team of the Economic Reform Commission).

Establishing a Fund for the Reorganization of Production, whose main purpose will be to ensure the profitability of export production covered by structural changes and the profitability of agricultural and food exports (minister of economic cooperation with foreign countries; chairman of the Planning Commission; and minister of finance).

Introducing stable principles linking pay in the budgetary sphere with pay in the material production sphere in a way that takes account of the results of work evaluations (minister of labor and social policy; and minister of finance).

Abandoning the practice whereby depreciation costs are shared between the budget and enterprises (minister of finance).

Introducing a system of property insurance against economic risk (minister of finance).

Creating conditions permitting the Social Security Agency and the State Insurance Bureau to operate as active financial institutions (State Insurance Bureau and Social Security Agency).

March 1989:

Introducing a system whereby enterprises sell part of their foreign currency earnings from exports to enterprises (this will replace the system whereby the state sells part of its foreign currency revenue to enterprises) (minister of economic cooperation with foreign countries; chairman of the Polish National Bank).

December 1989:

Adjusting interest rates on fixed-term bank loans to an amount that ensures realistic levels of investment and debt, and introduction of different interest rates that reflect the degree of risk involved (chairman of the Polish National Bank).

December 1991:

Attaining equilibrium with respect to the current balance of payments situation (minister of finance; minister of economic cooperation with foreign countries).

Permanent Work:

The creation of conditions for the realization of community initiatives concerning the establishment of social and professional self-management bodies (Office of the Council of Ministers).

The stimulation of initiatives leading to the establishment of new bodies and institutions in the economy (Office of the Council of Ministers; minister of finance).

The ensuring of the expansion and creation of new economic units producing consumer goods and providing consumer services in all sectors of the economy (Office of the Council of Ministers; regional state administrative organs).

The preparation of measures that will stimulate production of materials and products for the construction industry (Office of the Council of Ministers; minister of land use management and construction, in cooperation with regional state administrative organs).

A gradual reduction in the amount of detailed planning (chairman of the Planning Commission attached to the Council of Ministers).

The creation of conditions to improve the functioning of the communal economy and housing administration (minister of land use management and construction, in cooperation with regional state administrative organs).

The ending of the monopoly on the purchase and sale of agricultural produce (minister of agriculture, forestry, and food industries; minister of the internal market; and minister of economic cooperation with foreign countries).

More extensive use of defense industry capacity for the production of consumer goods (minister of national defense, in cooperation with other ministers).

An annual reduction in the role of intermediary agencies in the trade sphere (minister of industry; and chairman of the Planning Commission).

The introduction of state norms for the use of fixed assets that will set, inter alia, efficient consumption levels for raw materials, fuel, and energy, and the degree to which the environment may be exposed to harm (minister of industry, in agreement with the other departments concerned).

Text of Messner Address to 6th CC Plenum

AU210951 Warsaw TRYBUNA LUDU in Polish 16 Dec 87 p 3

["Text" of speech by Premier Zbigniew Messner to Sixth Central Committee Plenum in Warsaw on 15 December: "The Ultimate Form of Economic, Social, and Political Changes Is Decisive"]

[Text] Esteemed comrades, this plenum is of special significance for the second stage of the economic reform, because it will determine the ultimate form of our economic, social, and political changes. The plenum will determine whether we will employ our knowledge, experience, and militancy for the good of these changes and of their lasting results or whether we will agree to them weakening to such an extent that we may get bogged down altogether.

A few days ago I briefed the Sejm on the main lines of the government's modifications to the executive program for the second stage. These modifications were made necessary by the results of the referendum. Today I would like to give you more details about these modifications and to discuss our economic policy for 1988.

Yesterday the Council of Ministers adopted the 1988 Central Annual Plan and the 1988 draft budget.

This was done at a later date than is usually the case, and not everyone seems to realize why. Well, a number of indicators and parameters had to wait for the referendum results and for the Sejm decisions.

The Council of Ministers has taken measures to ensure that enterprises receive both of these documents as soon as possible so they can draw up their own plans. As you know, the assumptions of the 1988 Central Annual Plan were published as far back as last July.

The modifications to the executive program of the second stage of the economic reform will not change the plan's basic lines and inner logic, because we will not depart from the 10th congress line of reforms.

While we are reducing the speed of the changes which some segments of our society fear, we are speeding up and tightening the realization of other plans so as to increase supplies.

First of all, we must continue our measures to stimulate the initiative and enterprising spirit of economic units and citizens and to modernize the system of management.

As you know, we have begun reforming the central administration. Our work in this regard is almost done, and at the beginning of 1988 the central state administration will operate as a new body, one adapted to the requirements of the second stage of the economic reform. This is part one of the process whose lines are being determined by the Party-Government Commission for Reviewing and Modernizing Organizational Structures of the Economy and the State.

The government has ceased to be a federation of representatives of various branches and sectors. Its members now must represent overall state policy for everyone everywhere.

These changes are qualitative and quantitative. The Council of Ministers has adopted statutes for most ministries and has defined their internal structures. As a result of establishing new offices, the number of organizational units has decreased by almost two-thirds and the number of their employees by 50 percent.

Local bodies of state administration are the next to be reformed. As in the case of the center, their tasks, powers and, responsibilities will also increase. The Council of Ministers has issued the first decrees regulating the organization and performance of these bodies.

Work to transfer the enterprises' founding agenda from the center to local bodies is continuing. This is a difficult operation, but it is necessary in order to strengthen the center's strategic functions and to ensure closer ties between enterprises and the areas in which they operate.

One result of this transfer will be to crucially increase the budgets of the local bodies and to increase their responsibility for financing local needs.

It is impossible to ensure the correct transformation of the local administration without the militant participation of voivodship and gmina party cells and their aktivs.

Changes in administration will help to increase the independence of enterprises and to curb the powers of their founding bodies. We are perfectly aware of the importance of this process.

In view of all this people might assume that the strength of the center's influence is bound to become weaker, but, actually, the opposite is the case. Modern management means that people have the power to make wise decisions at the appropriate level.

The strength of the center is determined by the effectiveness of the institutional conditions it creates. On the other hand, in order to perform effectively under new conditions, enterprises must be able to work out by themselves the best possible organizational solutions and to learn how to correctly respond to the signals and hints reaching them.

After all, the structure of many units is obsolete. Their administration is too extensive and their systems of cost effectiveness are inaccurate.

However, the "top" will not provide any solutions to these problems. Enterprises must demonstrate their independence and self-management as responsible sovereign entities in tackling each of the aforementioned problems.

This applies not only to managements, but also to party organizations, workers self-management bodies, and trade unions operating in these enterprises. This is because we are hard put to expect any positive results of the second stage of the economic reform without people's extensive participation in and support of it.

What institutional conditions will the center have to create to ensure the realization of this process?

A review of regulations so as to reduce the regulative functions of the law is continuing. The first result of this review should be reductions in the detailed powers of the supreme and central bodies of the state administration.

To put it in a nutshell: The number of these powers should be reduced, but the remaining powers must be applied more stringently.

The number of enterprises in which workers councils elect their managers will increase by many as 1,000.

The elimination of formal barriers to economic activities is already producing results in the shape of new initiatives such as various joint companies. Further solutions, including those in the area of trade law companies, will expedite this work.

Work is continuing on the law on taking up economic activities, following the Sejm's favorable assessment in this regard. This law will certainly help to boost the enterprising spirit of economic units, especially in producing consumer goods and in providing services for the people.

We have increased the flexibility of the so-called outlet system, which we plan to extend to new areas of economic operations, including construction.

The corrections made to the price-income program have reduced the range and extent to which economic parameters should have been made more realistic.

All the same, we will greatly curb the range of the central administration's mediation in the supply of material and technical resources. The number of various goods included in this range will be reduced by 60 percent in 1988.

The law on countering monopoly practices in the economy will come into force at the beginning of 1988.

Bankruptcy regulations will continue to be applied with greater severity in the case of inefficient enterprises.

We have worked out a preliminary draft law on bonds, but various accurate definitions are still necessary. In addition, this draft will have to be thoroughly discussed by experts and by extensive echelons of the managing cadre.

The freedom of foreign trade continues to increase, and we still continue to draw up a list of goods that require no permits for export.

The activities I have discussed here are merely examples of what we are doing, but these examples show that, in line with the intentions of the first round of this plenum, the basic part of the executive program for the second stage of the economic reform will be implemented with utmost consistency.

In 1988 we should be able to translate into practice almost three-quarters of all the measures stipulated by the executive program.

This means that that new model of economic relations and of economic management will be gradually expanded and will gain in strength in keeping with increasingly newer solutions. Esteemed comrades! We are abandoning a single radical alteration to prices and incomes, and spreading it out over a period of 3 years. This does not mean we are no longer going to establish a viable economic system of calculations. However, we are going to do this more slowly, and will spread it to successive sectors of the market year by year.

This will no doubt weaken the effect of economic laws on the economy, but I believe it will be easier to win public understanding for the paths of the proposed changes.

The changes to the "implementation program" apply primarily to retail prices of those goods and services that are of fundamental importance for the standard of living.

This applies especially to basic food items. The increase in their prices next year would be over 2.5 times lower than the level contained in the prereferendum proposal. It will also be necessary to continue rationing meat and meat products.

We have gone even further. Increases in the prices of gas, electricity, hot water, central heating, and rent will be reduced. This means that the increase in the general retail price index after 1 January 1988 will be about one-third less than planned. Instead of the planned 40 percent increase, it will only be about 27 percent (excluding the effects of higher prices of liquor and cigarettes).

In this situation, the planned level of compensation for increased prices would be upheld. Of course, this level will depend on the scale of the price increases.

We intend to pay direct compensation for the so-called basic basket of consumer goods and services, which has been decided on jointly with the OPZZ.

The compensation for rural inhabitants would continue to take the form of increased procurement prices.

As far as the prices of production resources are concerned, we intend to adhere to the preliminary assumptions. The prices of these would go up approximately 40 percent next year.

In this way, coal mining would become profitable, with the exception of 11 mines whose operating costs are extreme. Also, the official prices of remaining raw materials would be brought into line with transaction prices in the second area of payments.

At the same time, a high increase in the prices of coal, both wholesale and retail, would compel all consumers of this basoc raw material to use it rationally and economically.

However, we must also realize that the foreseen changes to the "implementation program" will make it more difficult to balance out the market. Therefore, there might be shortages, causing inconvenience. Present shortages have been exacerbated by panic buying.

It is necessary to explain several matters clearly against this background:

First, the food market has not suffered, despite the mass buying. This is shown by the fact that it is relatively well-stocked, although we have to carefully analyze any difficulties that arise.

Second, the greatest amount of buying concerned durable goods. This provided an opportunity for speculation to thrive. However, if purchases stabilize, there is a chance that the market will be balanced out in the not too distant future.

Third, we must remember the interconnection between imports and exports.

For example, supplies of coal to the people have risen by 2 million tonnes this year, at the cost of exports, and the price paid for lesser exports has been a lower inflow of foreign currency. This in turn has made it more difficult to satisfy our central import needs, for example crude oil, which has caused periodic shortages of motor oil. Although supplies of this product to the market have increased, its consumption has increased even more.

The parallel decline in earnings from exports and increased demand for imports are incompatible with the economy's present foreign currency capabilities.

The changes in prices and incomes policy brought about by the referendum will have a major effect on the state budget. The income of budgetary funds will be less than budgetary expenditures on subsidies. Unfortunately, the budget will for this reason remain unbalanced.

This will make it more difficult to reduce income taxes to the level called for in the strictest variant of the program.

However, the government has no intention of abandoning this reduction. Good enterprises must not suffer, so we intend to reduce over successive years the taxes paid by enterprises. The principles of a new taxation system will be formulated toward the end of June 1988.

However, we will abandon the so-called emergency wage cuts by the end of 1988. We have always regarded this as an emergency measure. Keeping it any longer could result in negative consequences. Still, it ought to be emphasized that despite numerous controversies, it has fulfilled its purpose. One can say that it has preserved the essential link between the level of prices and the level of wages this year.

At the same time, the rules governing wage funds will be simplified. In particular, there will be broader taxation on wages paid out of the profits of enterprises, which will permit a reduction in tax concessions on wage funds.

Slowing down the changes in economic parameters forces us to accelerate the restructuring and transfer of capital, materials, and work resources to more efficient economic spheres, industrial branches, and enterprises. The National Socioeconomic Plan amendments that are being considered will encourage the restructuring of capital, the purpose of which is to reduce outlays on some lengthy and inefficient investment projects in favor of projects involving modernization and a reduced consumption of energy and materials.

The modernization of the structure and potential of production will also be accelerated by increasing the private resources of enterprises, brought about by a revaluation of fixed assets and by an influx of money from the structural changes to industry fund.

The organization of this fund, a new institution based on principles that have never been used before, is almost complete. The fund will begin its work on 1 January, in accordance with what has been announced.

The completion next year of major long-term investment projects will also be important. I have in mind in particular the Belchatow coal mine, the coking plant attached to the Katowice steelworks, the foundry attached to the Lublin tractor plant, and the nitrogen-phosphorous fertilizer plant in Police. When these are completed, the investments program will be relieved of a burden. As a result, even more modernization projects will be possible, leading to an even more modern production potential.

Esteemed comrades! We must combine the creation of a modern, efficient economic system in the material production sphere with an appropriate alteration of the social services sphere. Concerning living and working conditions, there is a number of urgent problems that require government concern. They include housing, drugs, and health and communal services.

Programs designed to satisfy these needs have been worked out on the basis of the general objectives and principles adopted at the 9th and 10th party congresses. However, the implementation of these programs is not so easy. Breaking the deadlock calls for a new look at social policy, at the use of reserves inherent in the organization of the social services, and at the final elimination of waste and incompetence.

An answer to the question "how, to whom, and to what extent is it the state's duty to satisfy social needs?" should always be firmly embedded in the economic reality.

Apart from a rise in living costs, a proper social protective network occupies a major position in social policy next year. Therefore, there will be new possibilities for increasing wages, brought about by a suitable indexing of the lowest wages or an increase in productivity.

The increase in the living costs of pensioners will swallow the direct lump-sum compensation and increases in benefits. The lowest level of old-age and invalid pensions will rise as of the beginning of the new year.

It is estimated that as result of these actions the real level of benefits will not only be maintained, but will even rise.

There will be a fundamental change in the system of family benefits. Benefits for child rearing, grants, and social assistance pensions and benefits will rise.

Particular emphasis will be placed on obtaining higher standards in the provision of services in the health care and social assistance fields. The government has reached a decision concerning additional pay raises for the health service. The health service will receive Z36 billion more than envisaged by the principles for pay increases in the budgetary sphere.

The program for change in this area, which we want to submit for public discussion, is primarily geared toward improving efficiency in the health care system, making better use of facilities and equipment, cadres, and resources, and preventing the waste that occurs in this area as well.

Consideration is also being given to the possibility of introducing a graduated scale of payment for services where this is socially justified and will improve standards of quality.

We aim to achieve this by, among other things, changing the system for financing the health service and the way in which the health service is organized, and by linking employees' wages to the amount and quality of the services that they provide.

An important factor in improving standards of efficiency would be the creation of a direct link between health service policy and the social insurance system.

In addition to these steps, we will also expand the pharmaceutical industry and domestic production of drugs. Particular use will be made of the resources of the fund for structural changes in industry to achieve these objectives.

There will be a significant increase in the amount of influence that the minister of health and social welfare can exercise on the implementation of the program for the production of drugs. He will be able to do this by applying the administrative mechanism for regulating the operational program for health care.

An important element of social policy is the expansion of education, higher education, and culture.

I share the opinion of those comrades who drew attention to the role of the educational system in the process of economic and sociopolitical reforms during the first half of the plenum.

The committee of experts for national education affairs has already submitted principles, and over the course of the next 2 years it will prepare a report on comprehensive activities in this area.

At the same time we will conduct on-going organizational work aimed at making appropriate use of the reserves that exist both among the people and in the organization of the education system.

Cultural development fund allowances will increase once again in 1988.

The housing situation is one of the most important social issues, especially from the point of view of the younger generation. Housing policy will be the subject of a separate meeting of the Central Committee.

Comrade Ferensztajn will speak on the subject of a special set of actions that will provide a way out of the existing impasse, mobilize reserves of human initiative, and be consistent with the logic of the economic reform.

The government will submit this program to the Sejm. Esteemed comrades, I have pointed out on many occasions that difficulties and tensions will accompany the introduction of the second stage of the reform. Our first experiences already indicate that there is a significant degree of "material resistance."

The changes that are being instituted are far-reaching. They clash with established habits and patterns of behavior and break up the existing system of relations between economic units, between branches and sectors of the economy, and between organs of the state administration.

The reform is not, quite simply, a play, full of orations and declarations, that has been carefully rehearsed. It is a complex process in which social forces clash with economic interests.

It has an immediate negative impact on inefficient economic units by eliminating easily obtained subsidies and concessions and on paternalistic branch ties between administrative organs and enterprises in which the interests of the latter take precedence over the public interest.

The creation of conditions that encourage initiative and competition harm the monopolies that many producers enjoy. This applies not only to state enterprises but also to cooperative producers and the skilled crafts. Incidentally, the last group has expressed misgivings about the proposal to ease regulations for starting economic activity, which would mean greater competition.

The reform exposes the passivity and inefficiency that is typical of many economic units and people and is assiduously hidden behind a screen of objective difficulties or complaints about bad regulations and decisions.

It strikes at those who reap advantages from economic disequilibrium, at times legally, at times dishonestly.

It strikes at the black economy and at corruption, which exist on an extensive scale.

There is also a clash in people's attitudes, including those of the managerial cadres.

It is still so often the case that quantitative production results take precedence over criteria of efficiency in people's minds and in actual decisions.

We so often hear it said that the inviolability of social achievements is more important than the effective linkage of performance and pay...

We cannot overlook these factors and the role and position of forces that are opposed to the proposed reforms for various reasons.

This makes it all the more obvious that we require great determination and stubbornness in the pursuit of our course of action and the gradual expansion of support for the reform.

All, even what appear to be the slightest, inconsistencies weaken the coherent nature of the concept and its internal logic. They also weaken the credibility of the program, not to mention the fact that it ties the hand of those responsible for implementing it.

That is why I am placing such emphasis on the importance of today's plenum for the concept of socioeconomic reorganization.

The debate held during the first half of the plenum, the suggestions made at it, and the outcome of the referendum will, I believe, make it possible to give precise form to the tasks assigned to all party cells, as the party is the leading force and inspiration behind the implementation of the second stage.

These tasks should—as our party first secretary, Comrade Wojciech Jaruzelski, said at the previous, fifth plenum—cover all forms of party work, ideological and educational activity, cadre selection and work with cadres, and the formulation of tasks for economic units and institutions that play a role in public life.

This is an irrevocable condition for the success of the reform. This is because today the issue is no longer one of formulating a concept, assessing its merits, and defining methods for implementing it.

The reactions and conduct of economic units, and the ability to overcome established habits and ways of thinking and to undertake qualitatively new tasks will be of decisive importance.

I would like to stress that the "Implementation Program," despite the modifications that will slow down the rate at which changes are introduced, will create a suitable basis for the attainment of our economic and social objectives.

Making use of this opportunity is something that depends on all of us.

Craiova, Brasov Assembly Deputies Removed

AU191435 Bucharest AGERPRES in English 0844 GMT 19 Dec 87

[From the Press Review]

[Text] The press prints a news item on the electoral meetings held in Craiova and Brasov which revoked two deputies to the Grand National Assembly (Romania's parliament)—Marin Lungu, former first secretary of the Craiova Municipal RCP Committee, who seriously violated party norms and discipline, and Manole Sechi, former general manager of the Industrial Transport Motor Vehicle Central Department in Brasov who gravely deviated from the application of the new economic and financial mechanism, of worker self-management and economic and financial self-administration principles.

Former Official Faces Removal

AU191543 Paris AFP in English 1538 GMT 19 Dec 87

[Text] Bucharest, Dec 19 (AFP)—The former managing director of the truck manufacturing complex in Brasov, central Romania, where violent riots took place in November, may be stripped of his seat in the country's parliament, unofficial sources here said Saturday.

An assembly of workers' representatives in Brasov unanimously approved Friday a motion calling for the dismissal of Sechi Manole from the National Assembly (parliament) "because of serious offences in the application of the new economic and financial mechanism," the sources said.

The proposal is to be submitted to the National Assembly Wednesday.

Mr Manole was fired early this month from his post as the head of the truck manufacturing complex in Brasov, which includes the Steagul Rosu (Red Banner) plant where the riots started. His deputies and the plant's director were also sacked.

The rioting at Brasov, in which two policemen were reportedly killed, is believed to the worst outbreak of violence against the regime of President Nicolae Ceausecu in at least 10 years, according to Western observers.

More than 10,000 people took part in the protests, which were sparked by the non-payment of wages at the Steagul Rosu plant.

Mr Manole and his deputies were accused of "abusively" and "illegally" ordering sharp pay cuts under a new national economic policy of productivity-linked wages.

Another workers' representatives assembly in Dolj, in the southwest of the country, also demanded Friday that a former local party official, Marin Lungu, be dismissed from parliament, the unofficial sources said.

Ceausescu Message to CPCZ Leader Jakes

AU182034 Bucharest AGERPRES in English 1947 GMT 18 Dec 87

["Congratulatory Telegram"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 18/12/1987—RCP General Secretary Nicolae Ceausescu sent Comrade Milos Jakes, secretary-general of the Central Committee of the Communist Party of Czechoslovakia, the following telegram:

Esteemed Comrade Milos Jakes,

On your election as secretary-general of the Central Committee of the Communist Party of Czechoslovakia I address you, on behalf of the Romanian Communist Party and on my own behalf, warm congratulations and best wishes of success in the fulfillment of the highly responsible task entrusted on you, in implementing the targets set by the 17th Congress of the Communist Party of Czechoslovakia.

Let me express the firm belief that the traditional relations of collaboration and friendship between the Romanian Communist Party and the Communist Party of Czechoslovakia, between the Socialist Republic of Romania and the Czecholslovak Socialist Republic will further witness an ever ascending course, growing on multiple planes to the benefit of the Romanian and the Czechoslovak peoples, of the cause of socialism, progress and peace in the world.

Bulgaria's Doynov Pays Official Visit

AU172035 Sofia Domestic Service in Bulgarian 2000 GMT 17 Dec 87

[Text] Comrade Ognyan Doynov paid a working visit to Bucharest. He held talks with Gheorghe Dinu, Romania's minister of heavy equipment. The leaders reviewed the possibilities of increasing the trade exchange and expanding specialization and production sharing between Bulgarian and Romanian economic organizations in heavy machine building during the period up to 1990.

Further on Visit of FRG's Genscher

DW172140 Mainz ZDF Television Network in German 2045 GMT 17 Dec 87

[Interview with Foreign Minister Hans-Dietrich Genscher by reporter Joachim Jauer in Bucharest on 17 Dec; on the "Heute-Journal" program—recorded—DW]

[Text] [Genscher] I proceed on the assumption that family reunification will be continued, and I hope that it remained not unheard what I have said about a more generous handling.

[Jauer] How was the Romanian reaction to German relief offers? I mean, parcels, for instance. Is there still an unequivocal refusal or is there a chance?

[Genscher] There was indeed a refusal on opportunities beyond the normal sending of parcels. I have said that it should be seen very clearly that our citizens' sympathy with the situation in this country here is a positive signal.

Joint UNIDO Session Stresses Cooperation

AU191948 Bucharest AGERPRES in English 1741 GMT 19 Dec 87

[Text] Vienna, AGERPRES, 19/12/1987—The annual session of the Romania-UNIDO Joint Committee took place in the Austrian capital. It analyzed the results of Romania's participation in the carrying through of projects and programs sponsored by the United Nations Industrial Development Organization for the benefit of developing countries. The session agreed on the next year's program that, starting from the current potential of the Romanian economy lays stress on ventures of cooperation in chemical and petrochemical industry, machine-building, mending and reuse of equipment and spare parts in agriculture, timber and textile industries.

The UNIDO will also expand its cooperation with Romania in the employment of Romanian experts on projects in developing countries.

Likewise, actions will be taken for the strengthening of the contacts between institutions in Romania and the UNIDO.

Leaders' Public Appearances 6-12 December

AU122159 [Editorial Report] Bucharest AGERPRES in English 6-12 December reports the following public appearances of Romanian leaders (sourcelines given in parentheses):

On 8 December, President Nicolae Ceausescu received new Omani ambassador's credentials. (1924 GMT 8 Dec)

On 10 December, President Nicolae Ceausescu visited Bucharest economic units. (2031 GMT 10 Dec)

On 11 December, President Nicolae Ceausescu chaired PEC meeting. (2027 GMT 11 Dec)

On 7 December, Ion Coman, member of the PEC, met with George Marchais, general secretary of the French Communist Party. (1936 7 Dec)

On 7 December, Nicolae Giosan, chairman of the Grand National Assembly, attended Finnish Embassy reception on Finland's national day. (1915 GMT 7 Dec).

On 7 December, Deputy Prime Minister Constantin Radu attended Thai Embassy reception on Thailand's national day. (1848 GMT 7 Dec)

13-19 December Appearances

AU192032 [Editorial Report] Romanian media between 13 and 19 December report the following public appearances of Romanian leaders (sourcelines given in parentheses):

On 13 December, President Nicolae Ceausescu chaired the RCP Central Committee plenum. (Bucharest AGERPRES in English 1352 GMT 13 Dec)

On 14 December, RCP Secretary General Nicolae Ceausescu made the opening speech to the RCP National Conference. (Bucharest Domestic Service in Romanian 0712 GMT 14 Dec)

On 16 December, RCP Secretary General Nicolae Ceausescu made concluding speech to RCP National Conference. (Bucharest Domestic Service in Romanian 1533 GMT 16 Dec)

On 17 December, President Nicolae Ceausescu received FRG Foreign Minister Hans-Dietrich Genscher. (Bucharest AGERPRES in English 1923 GMT 17 Dec)

On 17 December, Ioan Totu, candidate member of the PEC of the RCP Central Committee, welcomed, met, and gave dinner for FRG Foreign Minister Genscher. (Bucharest AGERPRES in English 0649 GMT 17 Dec; 1928 GMT 17 Dec)

Reaction to Resignation of CSSR's Husak

VJESNIK's Commentary

LD181252 Belgrade TANJUG in English 1050 GMT 18 Dec 87

[Text] Zagreb, Dec 18 (TANJUG)—It is likely that either a more flexible person or simply a new figure was needed to head the party, writes the Zagreb daily VJESNIK in today's commentary on Gustav Husak's resignation as secretary-general of the Communist Party of Czechoslovakia Central Committee.

Only ten days ago it could be heard in Prague that perestroyka did not oblige Czechoslovakia to embark on the same course because Gorbachev has said that "each country should choose its own road to socialism" writes Vjesnik, [word indistinct] that Husak's departure is in line with a hypothesis that something is, nevertheless, changing in Prague.

Gustav Husak, 74, a veteran Slovak communist, rose to prominence after the "Prague Spring" and the 1968 intervention by the Warsaw Treaty forces, a period during which he played no visible political part. He is credited with "stabilizing the situation" in Czechoslovakia after 1968.

However, the times are now different somewhat, concludes VJESNIK's commentator his article titled "Delayed Fall."

Krunic Sends Congratulations

AU182130 Belgrade Domestic Service in Serbo-Croatian 2100 GMT 18 Dec 87

[Text] Bosko Krunic, president of the LCY Central Committee Presidium, has sent a telegram of cordial congratulations to Milos Jakes on his election as general secretary of the CPCZ Central Committee. The telegram expresses best wishes for further socialist building of the CSSR.

Gas Pipeline With Hungary, USSR Discussed

LD192324 Belgrade TANJUG Domestic Service in Serbo-Croatian 1345 GMT 19 Dec 87

[Text] Novi Sad, 19 Dec (TANJUG)—The construction of a gas pipeline through the People's Republic of Hungary for the transportation of gas from the USSR to Yugoslav consumers was one of the topics discussed in Novi Sad today by Janez Zemljaric, vice-president of the FEC, and Jozsef Marjai, deputy chairman of the Council of Ministers of the People's Republic of Hungary, who is on a 1-day visit to our country.

During today's talks, it was announced, there was also consideration of other current questions of economic cooperation between the two neighboring countries, and there was an exchange of information on economic trends in Hungary and Yugoslavia, as well as the measures that the governments are taking to stabilize economic development.

Zemljaric and Marjai also had talks today with Jon Srbovan, president of the Vojvodina Assembly Executive Council, and visited the Novi Sad refinery.

Krunic, FRG Politician Discuss Relations

LD151950 Belgrade TANJUG Domestic Service in Serbo-Croatian 1634 GMT 15 Dec 87

[Text] Belgrade, 15 Dec (TANJUG)—Bosko Krunic, LCY Central Committee Presidium President, had talks with Heidemari Wieczorek-Zeul, member of the FRG Social Democratic Party [SDP] Presidium, who is paying a working visit to our country at the invitation of the LCY Central Committee Presidium. Participating in the talks were LCY Central Committee Presidium Member Dr Vasil Tupurkovski and Dr Peter Mietzscherling, chairman of the subcommittee for foreign economic and foreign trade issues of the FRG Bundestag.

The two sides discussed topical socioeconomic trends in the world, in particular in Western Europe, and the role of leftist parties in these processes. Other subjects discussed were the economic situation in Yugoslavia and Yugoslavia's relations with the EEC countries. It was stated that cooperation between the LCY and the SPD is developing successfully and this to a great extent contributes to the development and advancement of SFRY-FRG relations. For this reason, both sides expressed the need for and their readiness to promote a permanent dialogue with the aim of advancing cooperation between the two states and strengthening friendship between the SFRY and FRG peoples.

EEC Cooperation Discussed With FRG Delegation

LD180006 Belgrade TANJUG in English 1946 GMT 17 Dec 87

[Text] Belgrade, Dec. 17 (TANJUG)—Yugoslavia's efforts to stabilize its economic situation should receive greater support from the European Economic Community (EEC) as a whole and each of its 12 member-countries, delegations of the German Socialist Democratic Party (SPD) and the League of Communists of Yugoslavia (LCY) assessed today at the close of their Belgrade talks.

In talks with LCY Presidency members Vasil Tupurkovski and Stafan Korosec, the SPD representatives—Presidium Member Heidemari Wichorek and chairman of the Bundestag Foreign Economic Issues Board Dr Peter Micherling—expressed high regard for Yugoslavia's international status and its role in European affairs.

In the talks, which focused on the current economic situation in Yugoslavia, its foreign debts, relations between Yugoslavia and the E.C., the SPD delegates stated that their party would speak on behalf of Yugoslavia's demands to the F.R.G. Government and the E.C.

Yugoslavia attaches first-rate importance to its relations with the E.C.

The E.C. absorbs nearly one-third of Yugoslavia's annual exports, ([words indistinct] billion dollars), accounts for two-thirds (around one billion dollars) of its foreign currency earnings from tourism and for considerable sums of its inflow from the so-called invisible trade sector. 70 percent of Yugoslavs working abroad live in the E.C. countries.

On the other hand, Yugoslavia's exports to the E.C. make up only 0.5 percent of all foreign goods flowing into the E.C. market. 60 percent of Yugoslavia's foreign trade deficit and nearly [word indistinct] billion dollars in debts are consequently connected to the E.C. market.

The two delegations also exchanged views on their parties' international activities, the current international situation, trends in the world communist and workers' movements, especially in the European left, and on inter-party cooperation.

LCY Conclusions Examine Constitutionality

LD210950 Belgrade TANJUG Domestic Service in Serbo-Croatian 0605 GMT 20 Dec 87

[Text] Belgrade, 20 Dec (TANJUG)—The LC regards a resolute struggle by all progressive forces and the promotion of consistent implementation of the principle of constitutionality and legality as one of the most important elements for restricting bureaucratic voluntarism and usurpation of control of bureaucratic and etatist power centers. This struggle and promotion are equally important for both encouraging the process of the speedier democratization of social relations and consolidating the self-managing position of workers. This is stated in the LCY Central Committee conclusions adopted at the last, 11th, session of the LCY Central Committee.

By adopting the conclusions, the LCY Central Committee proceeded from the assessment that constitutionality and legality are one of the most important questions of the development of our socialist, self-managing society. The main causes of the violation of the Constitution and the law are, as stated in the conclusions, the attack on etatist bureaucratism, the formalization of socialist self-management, and the usurpation of power by informal groups within political-management and technical-bureaucratic structures. Then there is also etatist normativism, as an expression of lack of trust in the autonomous activity of economic subjects in conditions of the economic and market laws of commodity production, insufficient preciseness of individual constitutional and legal norms and excessive normativism, as well as the economic crisis, which is increasingly deep. All the contradictions of our development have expressed themselves and continue to express themselves in the practice of constitutionality and legality, contradictions that are made more acute by the economic crisis, serious weaknesses in the composition and functioning of the economic and political system, and the erosion of morals. This affects the expansion of unconstitutionality and illegality just as, on the other hand, the increasingly frequent phenomena of disrespecting the Constitution and law deepen our social crisis and make the struggle for social stabilization more difficult.

The situation in Kosovo, it is stated in the conclusions, is the most drastic example of violating constitutionality and legality, and the case of Agrokomerc is an example of irresponsible and illegal business dealing and behavior. Through this and similar cases, an extreme form of agression and lack of consideration by the etatist and arbitrary model of economic activity and development essentially gains expression, which is in profound conflict with self-management.

It is stressed in the conclusions that the LCY must strengthen ideological and political activity and must more sharply define responsibility for the consistent and comprehensive realization o' the stances of the 13th LCY Congress on constitutionality and legality. In this respect, a particular duty and responsibility befalls communists in self-managing organs and delegate assemblies in the preparation and enactment of regulations of a substantial nature, which take as their starting point the interests of working people and of their self-managing associations and communities.

The Central Committee stresses that the LCY bears a part of the responsibility within the political system and the front of organized socialist forces for the unfavorable situation in the practice of constitutionality and legality. Starting from this assessment, the LCY Central Committee calls on all communists to make a resolute departure from such conduct and behavior.

In an energetic and uncompromising settling of accounts with those who carry out such forms of usurpation and illegal behavior, the organizations and organs of the LC must create favorable social conditions for communists, working people, and citizens to wage an open and resolute struggle against the violation of constitutionality and legality, through all the institutions of the system. In addition to this, all forms of revanchist behavior and the persecution of those who publicly point to negative phenomena and their perpetrators must be prevented.

Our permanent orientation must be the further democratization of all institutions of the system, and above all the development of social criticism, openness, and control and supervision of the work of all organs.

The Central Committee draws particular attention to the need to more sharply enforce responsibility as an integral element in the practice of constitutionality and legality.

There is no place in the LC, regardless of function or merits, for anyone who violates the Constitution or law, arbitrates in terms of whether the law should be applied or not, participates in illegal proceedings, or in any way supports the proponents of such behavior.

Responsibility must be better deveoped in the political and legal system, in particular by precisely establishing sanctions, both by self-management acts and by laws, for the violation of inalienable rights of workers in decision-making on income and surpluses.

The conclusions speak in particular about economic and material responsibility. It is stated that this must be applied in all cases where material [word indistinct] has arisen because of non-implementation or violation of regulations. At the same time, it is essential to take energetic measures against individuals who, by shirking, or by violating regulations, threaten the process of work and economic activity.

In the system of criminal acountability, apart from criminal sanctions, more effective sanctions must also be planned for material responsibility, particularly when it is a case of causing material damage to a social community. In cases of failed investment, all the causes must be established and, on the basis of this, the corresponding ideological, political, and other responsibilities of subjects who have taken part in making decisions on investment must be established. It is particularly necessary to ensure that each subject bears the economic consequences of such decisions.

In this context, it is stressed that the LC must wage the broadest ideological and political action for the moral condemnation of every instance of unlawful behavior, shirking, lack of discipline, and violation of professional ethics.

The conclusions also examine social ownership. The LC supports the more intensive adoption of all measures—including changes in the socio-economic, political, and legal system—which will consistently ensure the integral character of social ownership and social relations, the rational use, permanent renewal and expansion of social resources, as well as their social and legal protection.

By the improvement and consistent application of the legal system, the full practice of economic responsibility for the management and handling of resources in social ownership should be ensured.

Particular attention was drawn to cases and phenomena where the problems of development and other economic problems in certain environments are resolved outside existing legal and business morals, through so-called beneficial misconduct and various forms of economic criminal deeds, particularly in the sphere of credit and monetary policy, through various forms of shady dealing and other forms of unlawful business. The LC must sharply define the ideological and political responsibility with regard to the proponents of these phenomena to the very end, since they mean a direct attack on the socio-economic and political bases of the system.

The LCY Central Committee particularly stresses the need for the more consistent implementation of the decisions of the LCY and the norms of the Constitution of the SFRY on the position and role of the state in our political and legal system. The LC will involve itself in creating all the preconditions essential for increasing the level of efficiency and responsibility of state organs, for their greater functional integration and for the greatest and more regular political control over the work of those organs and every individual in them.

Communists in the responsible state organs entrust themselves with the task of setting in motion and undertaking all measures for the energetic resolving of weaknesses in the system of social control and supervision, which have contributed to the Agrokomerc affair and other similar occurrences.

The conclusions also emphasize that, through the consistent practice and affirmation of the constitutional concept of the Yugoslav federation, and through new solutions in the framework of the forthcoming changes in the SFRY Constitution, the building up of unified bases for the political and legal system must be ensured.

For strengthening the responsibility of the republics and provinces for their own development and for their achievement of common interests in the federation, in accordance with their constitutional role, it is particularly important that a far more effective struggle should be waged in the LC, both against tendencies toward disintegration, polycentric etatism, and confederate relations and against tendencies towards the restoration of unitarism and centralism.

Because of this, it is also essential to overcome unacceptable ways of thinking, which identify the call for the more efficient carrying out of the functions of the federation with etatist-centralistic tendencies. Also unacceptable are the ideas that the efficient execution of these functions, particularly in the area of implementing federal laws, is in opposition to the expression of subjectivity and the constitutionally established laws of the republics and provinces. In this way, the confused conviction that everything achieved through the organs of the federation is, by its essence, against self-management, and is anti-democratic and centralistic, will come to prevail.

Also unacceptable to the LCY are ideas that link the efficiency of achieving common interests only, or primarily, with strengthening the position and widening the responsibilities of federal organs, paying no heed to the responsibilities of organs in republics, provinces, and municipalities in the functioning of the federation and the implementation of decisions passed in it.

The conclusions speak of the need for the greater involvement of communists for the more efficient working of the system of social self-protection and the activation of self-managing workers' control.

It is pointed out in particular that preconditions for an effective system of defense and security for the country are consistent respect for the bases of socialist self-managing society established by the constitution and the law. On this level, the LC must strengthen even more people's awareness of the fact that challenges and attacks on the system of all people's defense and social self-protection and on the Yugoslav People's Army represent the crudest violation of the Constitution and the law. The most severe ideo-political and legal measures must be taken against the proponents of such phenomena.

One of the most important duties of the LC is to overcome, through far more effective and unified ideo-political action, the idea of the primacy and, indeed, the omnipotence of the state in regulating social relations, the idea that only by such regulation can society's contradictions and the problems that arise be solved. Instead of this, it is essential to free a space for the working of market and economic laws.

In the removal of serious deformations in the conduct of constitutionality and legality, particular tasks befall communists in the executive and management organs of all sociopolitical communities.

The Central Committee stresses the duty of communists in delegate assemblies to undertake measures of responsibility, in good time by achieving the more effective political control of the work of executive and management organs and all self-managing subjects, against the leaders of these organs and offices in all cases where they assess that duties are not being fulfilled on time, efficiently, and in accordance with the law.

Communists and LC organizations in the organs of management must involve themselves far more in efficiently overcoming the very unfavorable situation in the work of these organs, particularly with regard to the realization of the rights of working people and citizens.

The conclusions also speak about activities for improving the judicial system. It is noted that it is of exceptional importance that LC organs and organizations support the more consistent practice of the independence of judicial organs, which is one of the essential conditions for achieving the principles of constitutionality and legality. Communists in the judicial organs and assemblies of sociopolitical communities are duty-bound resolutely to support the standardization of criteria in the policy of sentencing.

This part of the conclusions stresses the importance of the further affirmation of the constitutional judiciary, as one of the basic subjects in the protection of constitutionality and legality. Also underscored is the need to affirm the function of the public defender of self-management.

A separate item in the conclusions stresses that the LC must support the more successful function of the Office of Social Accounting, as an independent and unified system responsible for the direct application and for the control of the application of the law and other regulations connected with users of social resources. It is stated that changes in the conduct of the Office of Social Accounting are vital in order to promote its greater efficiency in the control of the financial business dealings of all users of social resources.

The Central Committee assesses that it is essential to resolutely eliminate all weaknesses in the work of the National Bank and the bussiness banks.

The conclusions assess that it is essential that scientific opinion should be engaged to a far greater extent in illuminating the essence and importance of the principles of constituionality and legality.

The Central Committee stresses the great responsibility of the public information media as a factor in the development of the social awareness about the vital nature of the consistent realization of constitutionality and legality and the further affirmation of the norms of socialist self-managing morality.

Assembly Committee Opposes FEC Proposals

LD210616 Belgrade TANJUG Domestic Service in Serbo-Croatian 1417 GMT 20 Dec 87

[Excerpt] Belgrade, 20 Dec (TANJUG)—The process of reaching an agreement on next year's resolution in the SFRY Assembly's Chamber of Republics and Provinces Credit and Monetary System Committee has begun amid delegates' general disagreement with FEC proposals. On key solutions—the degree of the restrictiveness of monetary policy and the point at which to end restrictions on bank lending—everyone expressed reservations, requesting that the FEC reconsider everything closely and put forward acceptable proposals.

The dispute over restrictiveness is not new and has been going on ever since these measures were applied in our monetary policy. The delegates deemed insufficient the FEC's offer to put forward a stance under which "a restrictive monetary and credit policy will be conducted." The degree of this restrictiveness and the sort of impact it will have on other economic policy tasks should be known, they say, since its primary task is the curbing of inflation. It should also be known whether a policy "cut out" in this way can operate effectively to restrict the "gray emissions."

FEC representatives accepted the suggestion that they reconsider, but were firm in their view that restrictions in monetary policy are inevitable for the conduct of an anti-inflation policy. More will be known in a few days about the intensity of the monetary cuts to be made during the agreement-reaching process and on the decisions about joint money supply and credit policy. [passage omitted]

Federal Chamber Resumes Proceedings 17 Dec

LD171618 Belgrade TANJUG Domestic Service in Serbo-Croatian 0858 GMT 17 Dec 87

[Text] Belgrade, 17 Dec (TANJUG)—The SFRY Assembly's Federal Chamber resumed its session this morning by considering the proposed changes and amendments to the Law on Associated Labor. An introductory report was presented by Djemsit Durici, chairman of the Assembly's Commission for Law on Associated Labor, who stressed that the revised law provides for regulative solutions designed to speed up activity to resolve problems evident in associated labor. By reducing the amount of regulation, more scope has been provided for freely establishing relations in associated labor on the basis of self-management. Emphasis has been put on responsibility for work and management and a basis created for consistency in observing economic laws.

Djemsit Durici stressed that new solutions are a product of prolonged and wide-ranging discussions and consultations with the public debate within associated labor providing a particularly significant contribution.

Assembly Joint Session To Meet 30 Dec

LD182129 Belgrade TANJUG Domestic Service in Serbo-Croatian 1442 GMT 18 Dec 87

[Text] Belgrade, 18 Dec (TANJUG)—Dr Marjan Rozic, president of the SFRY Assembly, has convened the sixth joint session of the Federal Chamber and the Chamber of the Republics and Provinces of the SFRY Assembly for 30 December. At this session the election of Raif Dizdarevic as a member of the SFRY Presidency for the SR of Bosnia-Hercegovina will be announced.

Mikulic Speaks on Anti-Inflation Program

LD181016 Belgrade TANJUG Domestic Service in Serbo-Croatian 2234 GMT 17 Dec 87

[Text] Titograd, 17 Dec (TANJUG)—I like to be in the collectives and talk directly to workers because there I experience, hear, and learn a great deal. There I can draw many realistic conclusions about whether the policy that we are pursuing and proposing is appropriate or whether it has to be adjusted, how it should be complemented and the like. Accordingly, in the coming months, I shall be rather more in the collectives than on other platforms. I need this contact. I think it would be a good thing if we were more together with workers.

With these words Branko Mikulic, president of the FEC, taking part tonight in the Titograd Television Refleksi [Reflexes] broadcast, answered why the president of the FEC goes on appearing in public after the program to bring down inflation has been adopted.

Answering the question of whether the Anti-Inflation Program could have been adopted earlier, the president of the FEC said that perhaps such a program, especially a program of intervention measures, could have been adopted a little earlier. However, he remarked that the political reasons for that had not quite matured yet. Mikulic remarked that different views on the program, especially the intervention measures, persist even today.

We had to adopt such a program, he stressed, or else as early as the beginning of next year we would have been facing 220 percent inflation that could rapidly have risen to 300, 500, or 600 percent, and we would have reached the ranks of the countries for which such inflation is characteristic.

Answering the question of whether or not it was contradictory that we started the program to bring down inflation with a packet of price increases, Mikulic explained that in the first place the problem at issue here was to eliminate price disparities or else disparity would have acted as an inflationary charge that very shortly would have undermined our intervention measures.

He stressed that we could not have kept several hundred thousand workers in a position where even the minimum personal income could not be paid to them because the state had laid down the price and kept them under its control.

Asked whether half a year will be enough for the intervention measures to fulfill their objectives and whether after the expiry of this deadline a price explosion will occur, Branko Mikulic said that the FEC would prefer the intervention measures to last for the shortest possible time but that before that the right conditions have to be created. In this connection, he said that work is proceeding to make operative that part of the program that will bring down inflation and stabilize the economy, which is marked as "a" in the program. This, he said, includes those measures that we think should be applied as soon as possible, so that by implementing them conditions can be created to end intervention measures.

We will bring together a large number of professional and scientific workers and cadres from the republics and provinces and associated labor on this task, said Mikulic.

The FEC president said that during the time of the validity of the price freeze there should be no shortage of commodities because it does not pay the manufacturers to keep their goods in stock in conditions of high rates of interest. In addition, he said, the FEC is ready, in the eventuality of shortages, to intervene through imports or through supplies of commodity reserves.

Answering a question about what will happen after the expiry of the specific deadline for intervention measures, Mikulic expressed his conviction that in this time they will become sufficiently effective to prevent a price explosion. Of course, he said, if we see that this may happen after all, we shall review alternative solutions.

Referring to some criticism levelled against the draft resolution for next year, especially at its "lack of ambition," Mikulic stressed that in existing conditions it would be unrealistic to plan higher rates of development. However, he remarked that possibilities exist for these development rates to be increased, but on the condition that the general situation in the country, and the social and the political situation as well, is more favorable, when we can motivate the working people better to take action, and when there is a more positive and more constructive attitude toward the agreed policy.

Destruction has assumed fairly widespread proportions and this severely hinders the consistent pursuit of action. For this reason, he stressed, I prefer to attend meetings with the workers rather than with political activists so that we can see what else can be done to get out of this situation.

I believe that Yugoslavia has the strength for this, Mikulic said, stressing that there are unused reserves in almost all areas and at all levels, in particular in the sphere of using available capacities which on a national level amounts to only 63 percent. A significant source of "domestic accumulation," Mikulic stressed, is available from saving, in the widest sense.

Speaking about rescheduling our commitments to foreign countries as one of the basic conditions for the successful application of anti-inflation measures, the president of the FEC stressed that in the negotiations so far, our foreign creditors have shown understanding and they have done this on the basis of the program that we proposed. There have been no conditions and pressures from our creditors, Mikulic said categorically.

In response to a question from viewers, Mikulic said that our debt to convertible currency markets (principal) is about $18.5 billion. He also said that the debt to the clearing area amounted to around $1.2 billion, but this is not of great concern since we have a surplus in the current exchange with the countries from that area.

The funds that we get through rescheduling should be used for and directed primarily toward development, toward changing the quality of the structure of our economy, and toward its technological modernization. This means, Mikulic said, that we shall have to bring personal incomes in line with the real possibilities in each organization of associated labor and that general and joint expenditure should be firmly linked to our real possibilities. We should not spend above this, nor finance losses, failed investments, and the like any longer. This is what constitutes the realistic economy, the president of the FEC stressed.

He expressed the hope that during next year delays in the realization of the program of economic and financial consolidation in the SR of Macedonia, the SR of Montenegro, and the Socialist Autonomous Province of Kosovo will be eliminated, and also that the economies of each of these three communities will export more.

Mikulic stressed that after the Agrokomerc scandal everything has been done to prevent the misuse of promissory notes and checks, and at the same time said that nowadays there has been a sudden drop in the use of promissory notes and checks in payments. According to him, this is one of the causes of increased illiquidity.

In response to the question of whether there will be a drop in interest rates next year, Mikulic said that an appropriate model of the policy of interest rates has been adopted and that it will be implemented in accordance with price increases, and therefore in this sense a drop in interest rates is expected.

As a difficult problem of our development, Mikulic also mentioned the so-called internal debts, which will take several years to deal with, since they should be sorted out from meager accumulation, which should be used for repaying foreign debts, for development, improving the social standard, and the like.

Stressing that there is no way out of the crisis with the present attitude toward work, Mikulic said: I do not believe in success unless we resolutely persist in a realistic evaluation of all factors of production. In this way, many things will be corrected and, in their own way, themselves influence the directions of development.

Answering a question on whether he, as the president of the FEC, feels responsible for the situation in the area of prices, Mikulic gave a negative answer, stressing the fact that the prices that were under the authority of the federation grew much more slowly than those that developed according to market conditions. As for how much space for maneuvering the FEC has in determining economic life, Mikulic said that in an unfavorable political situation and in this kind of a social climate it is difficult to take firm action and the FEC cannot win this battle alone. The FEC can work and work, but in all the cells of society we must go into the fray, the president of the FEC said.

In response to a question on whether it is correct that he has been proposed as a member of the SFRY Presidency, Mikulic said: I have heard this and discussions have been held with me in Bosnia-Hercegovina on this theme. I have turned this down for understandable reasons. I used to be in the Presidency and from there came to this office. Therefore, it would make no sense to flee from this wind-swept area because it is difficult. This would also be improper. I refused to discuss this, Mikulic said.

At the end of the interview, asked whether he is thinking of resigning, which he announced at the time he was elected to the office of president of the FEC if he is not successful in carrying out his task, Mikulic said: I think the same as then. When I assess that I cannot do the job, I shall make this decision. As long as there are prospects that I can succeed, I will fight, Branko Mikulic, president of the FEC, stressed.

Mirkovic Interviewed on Army Modernization

LD181839 Belgrade TANJUG Domestic Service in Serbo-Croatian 0859 GMT 16 Dec 87

[Excerpts] Belgrade, 16 Dec (TANJUG)—Economic difficulties are creating problems when it comes to ensuring essential material and financial resources for the Yugoslav People's Army, so some of its modernization programs have to be slowed down. Despite this, we are still succeeding in not giving up the most important programs of equipping military personnel with arms and military equipment and maintaining their standard of living. We consider that the most negative influence that the crisis has on the army is an increase in the number of young soldiers who, before entering the army, have been influenced by nationalism, separatism and certain asocial groups, said Lieutenant Colonel General Stevan Mirkovic, chief of General Staff of the Yugoslav Armed Forces, in an interview for TANJUG, NARODNA ARMIJA, and FRONT.

Representatives of these editorial staffs visited the chief of the General Staff in connection with Army Day, and asked him a few topical questions on the military situation, and the state and development of the Yugoslav People's Army. The conversation started with a question on the recently signed agreement between the USSR and the United States, which was as follows:

[Question] The military-political situation in the world has almost reached the "red hot" point. It is believed that the latest agreement between the superpowers will contribute to reducing tension in the world and the fear of self-destruction. How, in your opinion, comrade general, will this be reflected in the situation in Europe and in the Balkans, and particularly in the military-political situation of Yugoslavia?

[Answer] I think that the optimism with which this agreement was met in the world and in our country is justified. This is a great step toward the reduction of tension in international relations. The importance of the agreement is reflected primarily in the strengthening of trust between the superpowers and more widely, which is an essential precondition for continuing negotiations on disarmament. So this agreement could reflect positively also on the overall situation in Europe and in the Balkans, and to a certain extent, on the military-political position of our country.

The agreement will probably have a favorable effect on the course and results of negotiations on security and cooperation in Europe. In this framework, we stress our interest in and efforts for improving regional cooperation in the Balkans and with all neighboring countries equally. We see these as very important external factors in the strengthening of the military-political position and the security of our country.

However, we must also be realistic. I do not expect that an agreement will be achieved quickly on eliminating artillery-type nuclear weapons and other similar weapons, reducing conventional forces, etc., nor that the military-political situation will improve more radically so that conditions are created for the equal security of all countries. The announced strengthening of military potential and combat readiness of the armed forces of many states in Europe, in order to adapt to the new situation, best confirms this. We must take this fact into account.

[Question] Considered in light of economic and political relations in the world and in this country, the issue of the combat readiness of our armed forces remains very topical, that is, of course, on the level of guaranteeing the security of the country. How much does the socioeconomic crisis reflect on the combat readiness and on the ideological and political situation in the Yugoslav People's Army?

[Answer] It is clear that such a deep socioeconomic crisis as this must also leave traces on the armed forces of society. However, the situation in this area of social activities is, nevertheless, somewhat different, since the defense of freedom and independence is in question, and the Yugoslav people are particularly interested in this and are sensitive about it. For this reason, despite all the difficulties, working people and citizens, management organs of self-managing organizations and communities and other responsible organs in the country are succeeding in realizing the basic tasks in the preparation and organization of all-people's defense, which includes the SFRY Armed Forces. [transmission interrupted, TANJUG part 4 not received] I would take this opportunity to stress the need for sociopolitical communities and sociopolitical organizations, particularly in some regions in Yugoslavia, to give greater support to moves to do everything to ensure that socialistically educated and oriented young people come into the Army, who will carry the arms that the Army gives them responsibly. By this, I do not wish to belittle the responsibility and the duties of officers in the training and education of the younger generation, nor, in particular, the role of the LC and the Federation of Socialist Youth in the Yugoslav People's Army. Only through joint efforts can we ensure that the moral and political firmness of the Army is even greater.

[Question] The Yugoslav People's Army is sometimes mentioned in the frequent criticisms of the users of the federal budget, although it is well-known that this year as well it received less resources then envisaged and that it is still feeling the effects of budget obligations that were not carried out from earlier years. What would the cost be of an even more restrictive financial policy toward the Yugoslav People's Army and to what extent can savings be reconciled with the demands of contemporary combat development.

[Answer] There are criticisms as you say, although they are not that frequent. However, that is the right of working people, citizens, and the management, when decisions are being made about financing the federation and the Yugoslav People's Army. I am grateful that, with this question, you have enabled me to say something about this in the interests of more fully informing our public. The price of further reducing the resources for financing the army (if this is what is meant by a more restrictive financial policy toward the Yugoslav People's Army) would be to further restrict the program of modernization, a lagging behind in combat training and everything that this might mean for the country's defense capability. Apart from this, producers of arms and military equipment would find themselves in an even more unfavorable situation.

It is a known fact that the social plan for Yugoslavia for the 1986-90 period establishes that resources should be guaranteed for the financing of the Yugoslav People's Army each year at the level of 5.2 percent of the realized national income (at current prices). In keeping with this, a medium-term plan was drawn up for the development of the Army that established the essential programs of modernization in the cadre, organizational, and technical fields, dimensions were established for production capacities of special purpose industry, and so on. However, in accordance with the decision that budget resources for the Yugoslav People's Army should be reduced by 5 percent during 1987, the resources for financing the army will represent only 4.94 percent of national income. This reduction is also envisaged in the resolution for 1988. [transmission interrupted, TANJUG parts 7-10 not received]

We have analyzed our method of work and have made efforts to make the profession of an officer more attractive and appealing, to improve standards and maintain the high-level reputation enjoyed by the armed forces and their members. In this way, we are hoping to inspire the largest possible number of young people to join the Yugoslav People's Army on an active basis. To achieve this, we need concerted efforts by the Yugoslav People's Army, the sociopolitical communities, and the sociopolitical organizations.

[Question] You said at the beginning of this year that the new method of recruiting for the armed forces would undergo a comprehensive analysis. What experience have you drawn so far, especially on military service for high school graduates and allowing on-contract service in the Yugoslav People's Army?

[Answer] Over the last 7 years we have had both negative and positive experiences. I am not going to dwell on the positive ones because all that was said when the system was adopted has more or less been vindicated. But I would like to emphasize, as one of the negative aspects, the fact that since we introduced the system whereby military service has to be completed before going to university, military collectives have recorded a decrease in the number of highly-qualified conscripts of any considerable experience of life capable of exerting any authority on 19-year old soldiers and contributing to their more responsible involvement in fulfilling military tasks and duties. As regards life, work, and discipline in the Yugoslav People's Army units, there has been an increase in the number of soldiers who, unable to adjust to the new environment, display various forms of antisocial behavior. There has also been a rise in the number of conscripts dismissed from the Army prematurely because of either permanent or temporary disabilities. There has also been a considerable rise in the number of cases of serious forms of maladjusted behavior.

As a result and also because of the reduced number of active soldiers, military collectives have to recruit increasingly smaller numbers of more experienced people to work on more complex combat equipment and to carry out the duties of departmental commanders. This is where the new category of on-contract soldier had to be introduced. The Army offers these people contractual employment on very favorable terms (good salary, opportunity to advance professionally, accommodation, food subsidies, etc). However, it seems that the amount of information and, by implication, of interest in the vocation, has been inadequate. On-contract personnel have shown great satisfaction with their new jobs.

[Question] It seems to us, comrade general, that the fact that the Yugoslav People's Army has been deprived of comscripted professional people such as doctors, engineers, and others deserves to be singled out.

[Answer] It is evident that among the present recruits in the Yugoslav People's Army there is a shortage of conscripts with university degrees and degrees from higher educational institutions who could fill certain jobs in the military health service (doctors, dentists, and even veterinarians) or who could maintain complex combat and other systems of military equipment (engineers, electronics engineers, civil engineers and others), although, in principle, we do not rely on this category of conscripts in our units. In this context, we should not ignore the difficulties we have encountered in selecting candidates for some of the schools for reserve officers such as the medical and technical schools. This is being rectified by employing civilians and on-contract personnel in jobs that require high expertise and some kind of specialist training. In this way, we are providing job opportunities for young professionals, which is, in any case, of general social interest. However, I agree that units of the Yugoslav People's Army need a number of highly-educated soldiers. To this end, the Federal Secretariat for National Defense has almost completed analyzing this and other issues on military service in order to set in motion initiatives to change the law on military service. If the analysis indicates that it would be possible to undertake military service after completing university studies, as was the case in the past, we shall make proposals to do so. [passage indistinct]

Novi Sad Mayor Denies Flags Not Displayed

AU181629 Belgrade Domestic Service
in Serbo-Croatian 1400 GMT 18 Dec 87

[Text] In connection with a report and assessment in today's issue of INTERVJU that the flags of the SR of Serbia were not displayed in Novi Sad for its Liberation Day, 23 October, while all the other flags were flying, Bosko Petrov, president of the Novi Sad City Assembly, said at a press conference today that these are grave political assessments, untruths, and malicious accusations that aim at manipulating and fooling the public. Bosko Petrov said that these assessments were received with indignation in Novi Sad.

Four Albanians Sentenced in Prizren

AU161052 Belgrade POLITIKA in Serbo-Croatian
5 Dec 87 p 17

["I.K." report: "Celebrating Albanian National Day 'Earns' Prison"]

[Text] Prizren, 4 December—The Prizren Communal Magistrate's Court has sentenced Besnik (24), Sefik (37), Blerim (21), and Djemsit Hodza (25), all of the village of Zur near Prizren, to 60 days imprisonment each, for celebrating Albanian National Day and the day of the Albanian national flag on 27 November. They gathered at Besnik Hodza's house on that day, together with some of their compatriots from Kacanik, and listened to songs glorifying the AWP, Enver Hoxha, and Ramiz Alia.

Velika Kladusa LC Officials Dismissed

LD200949 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1508 GMT 19 Dec 87

[Text] Velika Kladusa, 19 Dec (TANJUG)—Members of the municipal LC committee in Velika Kladusa today relieved Stevo Repac of his function as president of this executive organ, and expelled from the LC Smiljana Juric, member of the temporary management committee of the Kuneks work organization; and Adil Ferkic, former director of the basic organization of associated labor Maloprodaja, from the Agrokomerc complex. In addition, the LC municipal committee issued warnings to the former secretary of the LC municipal committee, Sunita Skenderovic, to Stevo Repac, and to the president of the municipal council of the Trade Union Federation, Rasim Kantarevic, and a final warning was issued to the president of the municipal assembly, Slobodan Miljkovic. Criticisms were addressed to all members of the LC municipal committee. Stevo Repac and Sunita Skenderovic were relieved of their membership of the municipal LC committee. The proposal of the majority of basic LC organizations of this municipality was supported that no members of the current LC municipal committee be in the composition of the new LC municipal committee.

Measures of ideopolitical responsibility were earlier pronounced in the Velika Kladusa municipality against 71 members, among whom were 11 members of the LC municipal committee and of its presidium. It was also decided today that instead of 26 December, as earlier announced, an extraordinary session of the municipal organization of Velika Kladusa should be held 2 days later.

Further Reportage on 'Dissatisfied' Workers

Strike at Ravne na Koroskem Ends

LD152024 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1509 GMT 15 Dec 87

[Excerpt] Ravne na Koroskem, 15 Dec (TANJUG)—About 4,000 workers at the Ravne Iron and Steel Factory of Ravne na Koroskem today went back to work, thus ending a strike that lasted several hours [as received]. Dissatisfied with the November personal incomes, the majority of workers from five basic organizations of associated labor stopped work on Monday evening. An agreement was reached at an extraordinary session of the workers council to increase December personal incomes of the lowest paid workers by 60 percent, of others by 30 percent, and of the chairman of the management board by 8 percent. The entire workforce will also be awarded the so-called "innovation bonus" of 80,000 dinars instead of the proposed 60,000 dinars. November average personal income in the Ravne Iron and Steel amounted to 367,680 dinars that is six percent over October. [passage omitted]

Miners at Kakanj End Strike

LD130043 Belgrade TANJUG Domestic Service in Serbo-Croatian 1717 GMT 12 Dec 87

[Text] Kakanj, 12 Dec (TANJUG)—After a 10-hour extraordinary meeting, miners at the Kakanj mine this evening decided to end the work stoppage which began 2 days ago. The miners agreed to leave the House of Culture, where the meeting was being held, and go home, only after the management of the mine had promised, and thereafter the workers' council had adopted the decision, to increase by 50 percent the value of the remuneration point for November and December—the amount demanded by the miners. The personal incomes of the management and the administrative staff will not be increased. It was agreed that the third shift would continue working this evening.

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